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DEBATES AND PROCEEDINGS

IN THE

CONGRESS OF THE UNITED STATES;

WITH

AN APPENDIX,

CONTAINING

IMPORTANT STATE PAPERS AND PUBLIC DOCUMENTS,

AND ALL

THE LAWS OF A PUBLIC NATURE;

WITH A COPIOUS INDEX.



VOLUME II,

COMPRISING (WITH VOLUME I) THE PERIOD FROM MARCH 3, 1789,  
TO MARCH 3, 1791, INCLUSIVE.

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FEBRUARY 16, 1790.]

*Public Credit.*

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He said, that, though in his opinion, the present holders of certificates were strictly entitled to no more than what had been paid to the original holders, yet, as an investigation of that circumstance would be involved in inextricable difficulties, and since we were (as had been very properly observed and well expressed by a gentleman from South Carolina,) settling the business of a family, he was willing to acquiesce in the motion of his colleague. He said, that arbitrators often gave the injured party less than his due, for peace sake; and he was willing to act on the same principle. He doubted not but Courts of Justice would give relief in particular cases; but, in a matter of that magnitude, he thought the interference of the Legislature very proper. The South Sea business, he thought, in that respect, a good precedent. Two gentlemen had mentioned the business; he would not say they had misstated the transaction, but he thought their accounts imperfect. They said they had the documents under their hands; he wished they had been read; he had them not, but would state from memory what he thought applicable to the case in question. The directors of the South Sea Company, by various arts, induced the people to give as high as £1000 for £100 stock; in many instances the money was paid, in others it was contracted to be paid. A gentleman has said, that Parliament interfered, not to violate, but to perfect the contract: but what did Parliament do? They confiscated the estates of the directors, and applied the amount to the relief of those who had actually paid their money, and suspended suits against those who had not paid; and authorized the debtors to discharge their debts by the payment of ten per cent. on the real value of the stock subscribed for. But if he was wrong in supposing the present holders ought to stand in the place of the first purchasers, they could be considered only as having purchased, in market, a paper of indefinite value; if, then, they get the highest market price, they are not injured.

He would now endeavor to obviate some of the objections to the measure, on account of its impracticability; and in general terms observed, that much greater pains had been taken to show the impracticability than the injustice of it. He said, if it was just, we ought to adopt it; and he did not doubt but the wisdom of the Legislature would be able to carry it into effect. Purchasers, he said, had been represented as the supporters of public credit; but he could not consider them in that light. The offering a tenth or an eighth part of the value of the bond of an individual would tend rather to blast his credit than to support it; it would have the same effect with respect to the public.

He said he had lived long enough to be convinced that wise and great men, having the same object in view, often differ in opinion with respect to the means of accomplishing it; therefore, every proposition ought to be treated with candor and respect. He made that observa-

tion in consequence of what passed yesterday. A gentleman from Massachusetts had introduced his speech in a manner somewhat new—with an apology for an impropriety which he *intended to commit*. He pursued the arguments of those who went before him, in opposition to the amendment; but his speech consisted principally in an effusion of opprobrious epithets, some of which he repeated, and said, to detail the whole would perhaps fill half a column of a newspaper. He said he felt, on the occasion, not for himself, for he had not expressed his sentiments on the subject under debate, but for the honor of the House, in which, he thought, no such language ought to be used.

It had been said, we came forward as volunteers; that the original holders did not put in their claim. That might be easily accounted for; they were generally obscure and indigent; had too much modesty, or perhaps not the capacity, to come forward. That he believed the crowd in the gallery did not consist of original holders.

A gentleman from New York (Mr. BENSON) had objected to multifarious propositions. He was not certain that he understood the word; but had never considered it as applicable to two. That the proposed amendment had brought the business to such a state, that we had the choice of two systems. In order to determine which to adopt, it is necessary to examine the merits of both. That proposed by the Secretary of the Treasury he considered as exceptionable; that the proposed reduction of interest would be a breach of public faith; for although it was to be effected by the consent of the creditors, it would operate as coercion with respect to the original holders. He doubted not but the purchasers would eagerly embrace the proposal of four per cent. on the nominal sum. The original holders would not; they would wait for a more favorable determination; if they ever should consent, it would be with reluctance, and because they find they shall get nothing in any other way. The proposed disposition of the surplus revenue among the non-subscribers can have no effect; if Government do not choose to pay more than four per cent. interest, they will levy taxes only to that amount. The inducements to the acceptance of his several propositions, in consideration of the reduction of the interest are all futile. Western lands to the amount of one-third! It is well known Western lands are not a property in much estimation among the holders of certificates.

With regard to his other proposition of annuities and remote payments, it may be observed that the proposed reduction is not founded on the inability of the States to pay, but on the principle of expediency only, lest taxation should be extended to a degree, and to objects which it might not, at this time, be proper to attempt. Now, what security have we that the same principles of expediency will not operate ten years hence?



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He observed, that the purchase of annuities had not been practised in America, and he did not think it would become an object as it was in Europe. That in Europe there were many single men who carried their views no further than their own lives, and who, as they advanced in years, became fearful of difficulty and distress in old age; but this seldom happened in America; there were few without families, and the ease of procuring subsistence removed all apprehensions of suffering in old age. Besides, a man in most parts of the country could realize his money in such a manner as to double it in value in fifteen years. With regard to public opinion, he would say nothing, as he had no documents to prove what he might advance. He might, however, conjecture, from the operation of the several systems.

If the amendment should be adopted, the taxes would be increased, but, at the same time, rendered more easy, as the means of payment would be in so many more hands. The people would see their indigent neighbors relieved, and those who had rendered services to their country in some degree rewarded.

But if the plan proposed by the Secretary should be adopted, the present holders of certificates, men without public merit, however respectable they may be in their private characters, will be raised to an enviable state of wealth; the people, he presumed, will very ill brook the payment of taxes, when they see them applied to such purposes. Besides, we are told, that five million dollars have been purchased in Holland; the interest of which will perhaps equal the whole expenses of our Civil Government. Will the people approve of such a tribute, unless we can convince them of the justice of it? If it is just, if we have received value for it, no doubt but we must submit to the burden, however great it may be.

Mr. HARTLEY.—I do not wish to trespass upon the time of the committee, but I cannot consent to give a silent vote on this occasion. I mean, however, to confine myself to a few observations, as many of my ideas have been communicated by other gentlemen. The honorable gentleman from South Carolina (Mr. SMITH) has anticipated much of what I had to urge; I shall, therefore, reduce my view of the subject to two points: first, as to the justice or legality of the measure, in obliging a creditor, or assignee, to take less than a certificate expresses, and pay the difference to another: second, as to the practicability or policy of the motion and its consequences.

As to making further satisfaction to the officers and soldiers of the late army, who have sold their certificates for an inconsiderable sum, and who have in consequence reaped a less reward than the Government contracted for, and intended them, I conceive it has nothing to do with the present question. However, if there is a disposition in Congress to make a further compensation to those brave and meritorious men, I would be among the first to support the measure;

but I think this a subject too momentous to be involved collaterally in the question now under consideration.

With respect to the first point that offers itself, I have to remark, that a man, who enters into a contract, should know the consideration, and understand the principles upon which it is made, and these should be expressed on the face of the evidence of the contract. Now, if this contract be of a negotiable nature, the person to whom the same is offered, looks on its face, from which it discovers the *agrementum*, and is naturally led to consider the circumstances of the debtor, his ability and integrity. Suppose even the evidence of the contract to be obtained by fraud, unless it be against the express provision of a statute, and is transferred to a third person for a valuable consideration, without notice of fraud, it must be paid. A fraud in any link of the chain is corrected by a *bona fide* transfer for a valuable consideration, without a knowledge of that circumstance by the purchaser.

Now, let us apply these principles to the present case. Here is an instrument of writing, specifying a debt to be due from the United States to the original holder, or bearer; this being brought into market, is offered to a third person, he, before his purchase, sees that the contract was executed in consequence of a consideration, and not against any positive statute; he then inquires the ability of the Union, and its disposition to comply with the contract; and, from a consideration of these circumstances, he concludes, with respect to his own interest and safety in the purchase, and pays what is conceived to be the value. What is there to discharge the Government from the payment? Is it pretended that the services and supplies were an inadequate compensation? If it even was so supposed, it would not authorize us to refuse a compliance with our engagements; any interference would set afloat the great principle upon which the public tranquillity and happiness depend. This leads me to consider the subject in my second point of view, with respect to its policy and practicability, and the consequences that would result from the attempt.

There are but few original holders who have transferred, that can be found; of consequence, you would throw the major part of the debt into an intricate labyrinth. The present possessor would be shifting back the certificate to the original holder, as far as a latitude is given. Many persons who were bare trustees, would be reaping advantages, and drawing money from the Public Treasury, to which they are not entitled; oaths would be multiplied on oaths; perjuries on perjuries; fraud upon fraud; and every species of speculation would ensue; deception would be a strong trait in the character of the times, and the whole of the United States would be in motion, each endeavoring to prey upon the other. The consequences of a second inundation of this nature are to be dreaded, and ought to be carefully avoided.

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The quantity of one kind of certificates or the other will not be known; hence no special appropriation can be made. The most enlightened mind will not be able to penetrate through the difficulties, confusion, and uncertainty which will inevitably result; consequently, the event will be a dangerous speculation. Whereas, on the other hand, if your debt is ascertained and fixed, you can make regular and specific appropriations; even men of moderate capacity may know the value of your securities. Stamping them with this precision, they will acquire a steadiness in value; they will no longer fluctuate or dissolve in the hands of their holders, like snow before the rays of the sun. This stable value, thus given to your debt, will convert a public evil into a partial good; it will partake, in some degree, of the nature of specie, and circulate in aid of that medium of commerce and exchange, bringing with it many of the good effects of an increased stock, wherewith to trade, which is much wanting at this time throughout America. How preferable, how desirable is this, rather than to continue the debt, as an object of the worst kind of speculation, which diverts the capital of productive labor from the useful branches of manufactures, commerce, and agriculture.

In short, the business of funding would be thrown into such uncertainty and confusion, as must fatally stab our public credit in its most vital part, tumbling to the dust the amiable form we are endeavoring to cherish and support. Public confidence would be withdrawn, and the plighted faith of America would be destroyed in the chaos that would inevitably ensue. Thus the motion, if it prevails, will injure the very men it is intended to serve.

Many of the original holders are my friends, I should wish them every compensation which they deserve. If it is thought proper to settle with the officers and soldiers over again, you may do it; but you cannot give them part of the advantage they have conferred on another. I am no holder of certificates, directly or indirectly, and am, therefore, as much disinterested as any man ought to be, who has to decide upon so great a national question. The funding system of Pennsylvania was intended merely to serve the citizens of that State; but I believe that one-fourth of the interest paid on the debt she assumed, went to pay the citizens of other States; so that the scheme there could not be confined to the accomplishment of its avowed object, but was diverted to the advantage of foreigners, at the expense of her own citizens; operating, as I fear the proposed measure will, to the injury of those, it is intended to benefit. I fear the danger of an improper decision, as it regards precedent, which, in all determinations, has considerable weight. An honorable gentleman from Georgia (Mr. JACKSON) has brought them forward on this occasion. He tells us that Government may interfere in contracts, because Governments have heretofore interfered, and adduces the statutes of

limitation as a proof. These statutes never operate retrospectively to set aside former contracts, unless the contractors neglect to perform a reasonable action within a reasonable time. If the contract is touched, it is by the tacit consent of the parties; and this is essential for the well-being of the community, to prevent fraud and perjury. But where is there a Government that has violently interfered to destroy the contract with its citizens, and preserved its credit? The interest payable on the British funds has been reduced several times, but it has always been done on the offer of an alternative to discharge the principal. An attempt was made by the present ministry to reduce the navy and ordnance debt, in 1784, but he was forced to relinquish his project, when its effects on public credit were exposed. Thus many things are wished for by those who have the administration, but which we are obliged to forego, as inexpedient or improper.

Mr. MOORE observed, that it was agreed on all hands, and proposed in the report of the Secretary, that some discrimination ought to take place. It was, therefore, incumbent on the House to inquire how this might be effected with the greatest degree of equity. He supposed the result would be, that we are at liberty to pay the most meritorious first. Who constituted this class of citizens? He trusted the late army had an incontrovertible title to it. He could never believe that the men who stripped the soldiers of their hard earnings, by allowing them a tenth of their claim, would have the temerity to pretend that they had acquired the title of merit with their money, and that the soldier relinquished, with his certificate, the honor of his corps.

Had the present question been agitated in the hour of distress, when an army was essential to our defence, the arguments of justice and equity would have had their weight. Perhaps it is the soldier's misfortune, that the question arises at a time when the object for which he was employed is secured. But notwithstanding all that has been said, I am fully convinced that his claim is insuperable in equity. The soldier did not engage to fight your battles to be compensated with a certificate, acknowledging you were indebted to him; it was specie you promised, and specie he had a right to expect, or something equal to it in reality. The public faith was actually pledged to him for a compensation for his services; but will any one say the public faith was inviolably kept with him, when a certificate, worth but two shillings in the pound, was forced upon him as specie? The poor soldier, thus situated, was followed by gangs of speculators, who endeavored to impose on his judgment by the relation of artful and insidious opinions of the public capacity and integrity in the discharge of these acknowledgements. The soldier, incapable of detecting the specious falsehood, swallows the bait, and becomes the easy prey of designing men. The people felt and resented the inju-

ries thus perpetrated on those they esteemed; and I am much mistaken if the citizens of America do not still retain favorable impressions of the soldiers' services.

A great deal has been said, with respect to public opinion on this question. It is impossible, perhaps, to ascertain the public mind with precision; but there is but one way in our power, that is, to suffer the subject to be suspended for the present session, and on our return, or the election of our successors, the public sentiment in this respect will be evinced; but if we are to determine the public mind from our own observation, I should not hesitate to say that nine out of ten would be in favor of a discrimination. The people would, on this principle, I conceive, submit cheerfully to the payment of those taxes which are requisite to discharge the public engagements; but if they are to flow into the large cities, or into the hands of foreigners, who have speculated upon the misfortunes of the most meritorious class of our citizens, they will bear the burthen with murmurs and complaints.

Can any principle of justice demand the payment of the present possessor of a certificate, that does not apply more forcibly as it respects original holders? Will gentlemen, then, comply with the one, and neglect the other? Or rather, as my colleague has proposed, if they are incapable to pay both, will they not prefer a composition?

MR. WADSWORTH.—It appears to me that we have mistaken this business from the beginning, for we are proceeding as if it was taken for granted that all those who had alienated their certificates have been compelled to it by necessity; there is nothing further from the truth. So far as it respects the army debt it may be just; and at this moment, were a soldiery to be paid in certificates, they would part with them at as great a discount as ever. There is a disposition in soldiers generally, to despise pecuniary considerations; if they want money, they will dispose of their property at an inconsiderate value to obtain it. But this remark does not extend to the industrious part of the public creditors, because they have carefully retained the evidences of their debt, and now will receive its value. But even of the army, it is not true that they will suffer the loss of the discount at which their certificates have been sold. Having an opportunity of being well acquainted with the circumstances of the army, I know that many of the officers lived upon their friends, who supported them from time to time, with such sums as they had occasion for, and when they retired from the army, they repaid their friends with the certificates which they had received. The best way for gentlemen to ascertain the amount of the public debt which has been transferred from necessity, is to mix in the world, and try, from the circle of their acquaintance, to learn what the actual transfers have been. I have done this, and am conscious within myself, that seven-eighths of all the alienated debt has not

been disposed of by the original holder from necessity.

When the requisitions of Congress were rejected by the State Assemblies, some of the most wealthy persons of the community, and those most violently opposed to Continental measures, seemed to concur in the opinion, that the States would never raise a revenue for the purpose of paying the domestic debt. The people finding this a prevailing opinion, were impressed with a dread of its consequences, and sold this species of negotiable property at a rate dictated by their apprehensions. I should conceive it as a great evil, if the Government were now to restore to such persons what they lost for want of confidence. I think this circumstance will operate considerably against the gentleman's principle of equity; now, as to the practicability of the measure, those gentlemen who are acquainted with the history of the manner in which the public debt was contracted, will readily agree with me, that it is an insuperable objection. In the years 1776 and 1777, very few advances were made to those who procured supplies to the public; they purchased what they got generally upon credit, and they were obliged, before their accounts could be settled, and they could get their money from the Public Treasury, to get receipts for all the articles they had furnished, and then they received orders upon the loan-officers, who, not having money, paid them in certificates, which these people, in return, paid over to those who furnished them with supplies. So that the agent appears a creditor to a very considerable amount, when his personal claim is very trifling, and those who risked their property, without pay of any kind, and who are undoubtedly deserving of some credit, appeared to be no other than speculators in public securities. I cannot see, in this case, any possible mode of discrimination. There are a variety of other official transactions which would demonstrate the impracticability, if it was necessary, to oppose the proposition on that ground.

Something has been said with respect to public opinion. I have taken the same method to inform my mind on this subject, that I recommended gentlemen just now to do on another. In the circle of my acquaintance, I find none who are opposed to an attempt at discrimination; those who have long considered it, and attentively observed the progress of the business, are universally persuaded that public opinion is against it. I have one remark more to make, with respect to the army, which will show, that the soldiers who were discharged at the end of the war, and who had final certificates given to them, are not so much to be pitied on account of their pay, as some gentlemen seem to suppose. It is well known, that when a soldier enlisted, he received no mean bounty from the Government; but this, in many cases, almost in every case, to the Eastward, was considerably increased by the contributions of private citizens. We are told, that, in Massachusetts, this sum

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averaged two hundred and fifty Spanish milled dollars, besides which, they were paid by the town the Continental wages. These towns were to receive of Congress the soldiers' pay, in order to reimburse themselves; but they gave the Continental pay up to the soldier; they let him have his final settlement, and were satisfied that the war was over, and the great object which they had in view was accomplished. This was a gratuity to the soldier, he received it, thanked them for it, and spent it. Perhaps soldiers were never better paid in any part of the world. There must certainly, then, be some impropriety in the term so frequently used, "the poor soldier." A fair and impartial statement of facts has shown that the American soldiery has been well paid, much better than the officers.

Mr. GOODHUE observed, that the gentleman from Virginia, who has advocated this discrimination, having acceded to the proposition, that a contract, fairly understood by the contracting parties, and where a proper consideration was given, ought, upon no terms whatever, to be violated, it became the committee to try the question by this standard; and, it sometimes happens, that we are so blinded by existing circumstances, that, by reversing the scene in our minds, we are more likely to detect an erroneous sentiment, than by any other argument. Let us suppose, for a moment, that the late war had been prolonged to a degree, that the debt contracted in its prosecution became so enormously large, that the abilities of the United States would enable them to pay but five shillings in the pound, and a number of persons, who had purchased securities at ten shillings, should come forward, and pray they might be authorized to call upon the original proprietors to refund five shillings of the purchase money; can any one doubt what the answer would be? Would they not be told, from all quarters, that they purchased on the contingency of the public ability? That it might have happened, that they would have got twenty shillings for what cost them but ten. It has turned out differently; they took the risk upon themselves, and, therefore, must abide the loss. This has been the understanding which has universally prevailed; and every transaction of the United States relative to assigned securities, as well as the security itself, in its very face, establishes such an understanding.

He further observed, that, agreeably to his idea, public credit became a desirable object, chiefly for this reason, that, in times when great exertions became necessary, the public might avail themselves of services and supplies, beyond what they have money on hand sufficiently to command. This was to be done only by promissory obligations, and, in order to have any effect, and answer the purpose, they must be made assignable. He then asked, if the principle of a discrimination contended for, had existed during the late war; or, if it had been understood any advantage was afterwards to be

taken of an assigned security, which assignment was legalized in the very security itself, what would have been the consequences? Would it not have put a period to our credit and exertions? Would not such a principle, now established, be an effectual bar to our future credit?

He acknowledged that the case of many soldiers, and others, who, from necessity, were obliged to part with the pledges of their public service for a small consideration, was peculiarly hard, and they were entitled to our compassion and generosity; but not at the expense of our national honor and solemn engagements.

On motion, the committee now rose, and reported progress.

WEDNESDAY, February 17.

Mr. LIVERMORE, from the committee to whom was recommitteed the bill for establishing an uniform rule of naturalization, presented an amendatory bill, which was read for the first time; and

Mr. BURKE, from the committee appointed for the purpose, reported a bill to promote the progress of the useful arts, which was also read for the first time.

#### PUBLIC CREDIT.

The House again went into a committee on the report of the Secretary of the Treasury. Mr. BALDWIN in the chair.

Mr. MADISON's proposition still under consideration.

Mr. PAGE.—I do not wish to trouble the committee with a formal argument in favor of the motion offered by my colleague; but I wish to inquire of the gentlemen in opposition, whether they conceive the principles upon which it is grounded to be unjust? I observe, that their replies have generally gone against the practicability of the measure; but that does not prove to me that it is inequitable. If there is justice in the case, we must not consider the difficulty of the attempt. I trust, if it shall be found to stand on the foundation of immutable justice, that its practicability will be demonstrated. However, I shall not enter on that ground, but leave it to my colleague, who has so ably supported it on the other.

I would, however, beg gentlemen to answer these questions, and show to my mind the injustice of the United States complying with their engagements made to the first holders of certificates, as far as the case, and their abilities, will permit. Or where is the justice of doing more for the assignee than he, or his assignor, expected could or would be done? Where is the breach of faith in Government, if it pays its whole debt, with a justice, blended with mercy, resembling that of Heaven itself, making impartial retribution among the children of men, on the great day of accounts? Where is the propriety of branding a measure of this nature with epithets of infamy? Or using such harsh expressions as have issued like a torrent from a gentleman on the other side of the House? So

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far am I from viewing the proposition through such a discolored medium, that I am induced to believe, if Congress adopt it, they may submit its rectitude, and stand the decision, of not only a superior order of beings, but of the Great Judge of the Universe, who is immutable truth itself.

What will the assignee lose by the measure? He will lose nothing, but the sanguine expectation lately raised in his mind.

Where is the interference in contracts, when the proposition is to comply sacredly, as far as the case will admit, with the contract between the State and its creditors? Is not the assignment of the certificates confirmed by the nation? Does it not give to the assignee the very thing stipulated between the assignor and assignee, that is, whatever sum the Government shall be pleased to pay for the certificate? And is not the sum now proposed, more than either the first or last assignee ever contemplated, till within a few days past, would ever be paid him?

The time is now arrived when justice ought to be done; it is looked for, with anxious expectation, by all classes of our fellow-citizens; it will not avail us to say, it is impracticable, until experience has demonstrated it to be so. But the measure we contend for is termed an *ex post facto* law, and as such, is declared to be unconstitutional. Gentlemen torture every thing, in order to produce evidence against an act of justice. How can it be such an *ex post facto* law as is proscribed by the Constitution, when that expression is conjunctive with a bill of attainder? It relates to that only, and can have no reference to the object of the proposition before us. The same idea, which prevents us from an interference on the present occasion, will prevent us, as was observed by the gentleman from Georgia, from making a statute of limitation, or for correcting any frauds, which have been perpetrated on the unsuspecting soldiery. We must not contemplate the restoration of the starving soldier, with his humble wife and numerous and naked offspring, to a more eligible situation; we must not restore confidence to the man of honor who is buried in abject poverty, because it is addressing a language to the heart, which the haughtiness of the head disdains to hear; but, in doubtful cases of justice, the heart is the best director on this subject; happy will it be for us, if, as I think, they both concur to give their approbation to the present measure.

And now, while I am up, I must add a few words in favor of freedom of debate. We have been told, that we have spent a week on this subject, that the public mind is extremely anxious, and requires to be satisfied; I hope, nevertheless, the decision will not be hurried. I do not conceive the impatience of a gallery, nor a thousand galleries, ought to influence us to a hasty decision. Men who cannot avoid expressing an imprudent eagerness, ought not to be much regarded; those who would not listen to

the oratorical performance, which favors their wishes, can hardly be expected to be gratified with a discussion in which other principles are advocated. I hope we shall patiently endure the subject, without showing an improper expedition in deciding a question on which so much depends.

Mr. BOUDINOT.—I consider the question now before us to be of the utmost importance to this country. I consider its determination as the keystone to our political arch; if we place it in a masterly manner, it will be able to support any burthen; but if we lay it without due attention to its situation, or compose it of materials not of a durable nature, we shall injure the whole fabric, of which we may repent when it is too late.

I feel disinterested, but by no means regardless, as to the consequences; nor do I feel hurt by having the proposition so long before us. On the contrary, I find myself obliged to the gentlemen who brought it forward, as it affords an opportunity of discussing a principle which has often suggested itself to my consideration. I expect that many advantages will result from a fair and candid examination of the question; and I have no doubt but it will be treated with the candor and deliberation it deserves.

I beg leave to mention, before I proceed any further, the situation in which I conceive we are placed here. We are a National Assembly, acting on national principles; we have the interests of the United States at large before us; we are not to consider this individual, or that, when the good of the whole is our particular object. If we lose sight of the well ordering of the whole Civil Society, we shall wander, and be drawn aside by the impulse of individual attraction, plunging ourselves every step into still greater difficulties, forgetting the great principle of distributive justice.

When I had the honor of replying to the gentleman from Virginia, I merely considered the measure, with respect to its impracticability, having taken, for argument's sake, its principles for granted; a fuller opportunity of considering the subject has enabled me to take up the general principle, in the first place with respect to its justice, and then as to its impracticability.

As there is no mode of gaining knowledge, equal to a free, candid, and ingenuous interchange of sentiment, I am pleased with the discussion that has taken place. From what I have heard, and compared in my mind, I am led to conclude, that it is agreed, on all hands, that the original debt, with regard to the United States, was *bona fide*, just, honorable, and meritorious; that on these principles, it was due to the original creditors. There is no pretension that the debt is unjust, or that we ought to do any thing to lessen it, for the benefit of the United States; if there was such a claim, I believe it is given up. It is also conceded, that the debt was contracted under an idea, that it should be paid in specie, according to the liquidation



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which has taken place, either for moneys loaned, supplies furnished, or services rendered; that part of the debt, due to the army, ought to have been paid on every principle of justice, according to the precise terms of the stipulation. But a failure happened, on the part of the United States, from the peculiar necessities arising from the rage of war. In this situation, they were called upon for payment; being unable to make it, Congress did the best thing in their power. Knowing that a delay of payment was injurious to the creditors, they ascertained the amount of what was due, and gave an evidence of the debt. This being given, they went still further, and the Government made an express resolution, that the evidence so given should be negotiable by the holder; for on the face of the certificate, the contract entered into appears, that the money should be paid to the original creditor, or bearer. This is an important part of this dispute, and ought to be noticed. That I may not be charged with speaking without book, I shall take the liberty of reading part of the report of a committee of Congress, which was afterwards adopted, and addressed to their constituents, which will incontrovertibly prove, that a great portion of the evidences of the public debt were transferred under an express act of the United States, that they should be paid to the bearer.

Here Mr. BODINOT read from the Journals of Congress those parts of the address to the States, by the United States, which had relation to his argument; from whence it was shown, that the domestic creditors had loaned their money for a term which had expired, or had become creditors, in the first instance, involuntarily. Now, as the principal could not be paid off, as in good faith it ought, the next thing for the Government to do, was to secure the punctual payment of the interest, that so the creditor might be enabled to transfer his stock at its full value, and replace to himself his principal.

They then proceed to inculcate the necessity of the measure, regardless of the magnitude of the debt. It was enough for them to know, that it was honorably and fairly contracted, and that justice and good faith demanded that it should be fully discharged. They consider no other motive requisite to induce the discharge of the debt but its justice, yet, if there were others required, no nation had stronger. They were due to an ally; to individuals in a foreign country; to that illustrious and patriotic band of fellow-citizens, whose blood and whose bravery have defended the liberties of their country, who have patiently borne, among other distresses, the privation of their stipends, whilst the distresses of their country disabled it from bestowing them.

To a class of creditors, composed partly of such of our fellow-citizens as originally lent to the public the use of their funds, or have since manifested most confidence in their country, by receiving transfers from the lenders, and partly of those whose property has been either advan-

ced or assumed for the public service. To discriminate the merits of these several descriptions of creditors, they say, would be a task equally unnecessary and invidious. If the voice of humanity pled more loudly in favor of some than of others, the voice of policy, no less than of justice, pleads in favor of all. A wise nation will never permit those who relieve the wants of their country, or who rely most on its faith, firmness, and its resources, when either of them is distrusted, to suffer by the event.

They conclude in the following apostrophe: "If justice, good faith, honor, gratitude, and all the other qualities which ennoble the character of a nation, and fulfil the end of Government, be the fruits of our establishments, the cause of liberty will acquire a dignity and lustre which it has never yet enjoyed; and an example will be set, which cannot but have the most favorable influence on the rights of mankind. If, on the other hand, our Government should be unfortunately blotted with the reverse of these cardinal and essential virtues, the great cause which we have engaged to vindicate will be dishonored and betrayed; the last and fairest experiment, in favor of the rights of human nature, will be turned against them, and their patrons and friends exposed to be insulted and silenced by the votaries of tyranny and usurpation."

This, gentlemen, was the language of 1783; it did honor to those who, in our seats, held it out to the world; let us not forget it, but nobly emulate their example.

Let us now proceed to consider the arguments advanced in support of the motion; they have been brought forward by the gentleman from Virginia, in such a manner as to entitle them to the attention of the committee; they were addressed to their judgment and understanding, and, as such, demand the most fair, candid, and decent investigation.

The public creditors are divided into four classes. First. Original holders, still in possession. Second. Those who have assigned. Third. Intermediate creditors who have assigned. Fourth. Present possessors, or the bearer. He then proceeded to consider that there was no doubt with respect to the first. In regard to the second, he could mention many persons in this situation as meritorious as any other sufferers; that the third might be passed over, and excluded from consideration; but if it was necessary, he could bring forward persons, in this predicament, as deserving of attention as any that have been named; but, said he, I will not trouble the committee with the relation, as the gentleman has not held them up as objects of future indemnification. It is urged that public justice, public faith, public credit, and public opinion, are in favor of the first of the two rival classes, and it is not denied but the other has a defensible claim, yet, as we are unable to pay both, we are left to make a composition. This is the only remaining expedient, as we are to pay both; hence it is proposed to

pay each ten shillings. It is alleged, that though this will not do complete justice, yet it will do more real justice than any other plan; the present holder will have a reasonable profit, the original holders will not be fully indemnified, but they will receive from their country a tribute to their merits. I will now enter on the consideration of the justice of the measure, though the honorable mover was aware that some objections, which he calls plausible in themselves, would lie against the plan; among these, I take it, is the impracticability, which I alluded to on a former day; but I will not discuss it on that ground; I will examine it on the principle of justice, laid down by the gentleman; but, before I proceed, I beg leave to remark, that, in all disputes of this nature, it becomes necessary to the argument to define, with precision, the terms made use of, otherwise we know not when we are applying them with propriety.

The honorable gentleman has assembled a number of terms, of which the committee may entertain different ideas. Original creditors, public justice, public faith, public credit, and public opinion. What is meant by original creditors? For that seems an important consideration, as it respects the present proposition. The gentleman does not suppose it to mean the person in whose name the evidence of the debt was issued. If that is the construction, I am willing to risk my reputation, that you will find the greatest part of the debt in the hands of those who were never real creditors of the United States. The original creditors, I take it, are those who actually loaned the money, furnished the supplies, or rendered the service; the contract was made with them, and not with their agent, the mere instrument of conveyance. What are we to understand by the term justice? Private justice is that conduct which is considered in conformity to the will of a superior who commands. Justice, between individuals, is to render every man his due; and what is the due, must be construed in conformity to the will of the Legislature. Public justice, in the United States, is a thing distinct from the public justice in other countries. Public justice, in England, must be considered in conformity to the will of the British Parliament, possessing the supreme power: but, in America, we have a precise line drawn; public justice must be the conduct of the Legislature, in conformity to the Constitution, under which they act, and the true happiness of the people; beyond this we have no power to go. I state this, because I think some arguments may be adduced from the Constitution, to evince that the Congress of the United States are not in the situation of the Parliament of Great Britain, or the Crown of France.

Public faith is a strict compliance with every promise which is not, from unforeseen accident, subversive of the general welfare. If we owe a man five shillings, we ought to pay five shillings, unless the payment of it would prove the

destruction of the community, in which case we are not to pay it. Justice, with respect to Government, is distributive justice; it is justice to the community, and not to individuals alone; for if justice, with regard to individuals, will injure the whole, it is not distributive justice. Hence the claim of an individual, that would deprive us of the means of self-defence, is not to be satisfied; and though it might appear to be injustice, with respect to him, yet it is that kind of justice which Government is bound to administer, whose first object is the preservation of the whole society.

Public credit, I take to be the confidence reposed in a State, or body politic, who are borrowing money; for the security of the payment whereof, a permanent annual fund is appropriated. Under this head, I shall proceed to examine the difference between the original creditors of the United States, and their assignees. The original creditors, I have stated, are those persons with whom the contracts were made. I have heretofore reminded the committee of the origin of this debt, and of the nature of the contract. From the acts of the former Congress, it appears, that Congress, in order to benefit those persons, whom they could not immediately pay off, gave to them an evidence of the debt, to which was annexed a negotiable quality. Hence the contract was formed upon the idea of the transferable quality of the certificates to be issued. The original creditor having, then, alienated his debt, under these circumstances, conveyed all his right and title thereto, under the sanction of the Government; the transferee is, therefore, *ipso facto*, the original creditor. This will be set in a clear light, by a reference to the face of the certificate itself, where the promise is not to the original holder alone, there is an alternative to A B, or bearer, either one or the other. Will any one say, the bearer is not concerned in the contract? How can you say to the assignee, that you have nothing to do with him in this business, when the resolutions of Congress, and the express words of the evidence acknowledged him a party in the contract, at least equal to the original creditor? The terms of the contract were understood previously to the loan, and, in many cases, before the supply was furnished, the negotiability of the certificate was held out as an inducement for the persons to enter into the contract with the Government. We ought to consider the original creditor, and his alienee, under the faith of Government, before an upright Judicature, contending for their different claims. The latter does not deny the original claim the other had; he only contends, that it is conveyed to him, and that he acquired it on the plighted faith of the public. Considering this in every point of view, I am free to declare that public justice requires the bearer to be considered as the original creditor.

I need not recapitulate the distresses of the United States, at the time they pledged their justice, in order to call out the exertions of their

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citizens. The United States, in want of money, in a new and untried situation, surrounded with all the horrors of a doubtful war, failing of their usual resources, years pass away, and no provision is made for the discharge of their contracts; the Government proves inefficient, and new doubts and want of confidence arises. Is it, let me ask, any wonder that, under all these circumstances, the market should be affected? Gentlemen say, that the original holders did not receive a valuable consideration for their stock. What do they mean by a valuable consideration? Do they mean the full amount of what the certificate specified? This is no general rule; the circumstances I have already enumerated induced a want of confidence, and the whole mass of public securities depreciated. The holders, for various reasons, sold out at the best prices they could obtain; they shifted the risk from themselves on the alienee, allowing him one-half for the premium of insurance. What is the true value of paper? In pursuing this inquiry, does not every person acquainted with mercantile transactions, is it not the practice of every gentleman on this floor, to consider, in his purchase, the intrinsic value, and the adventitious circumstances connected with the property? If it is a note, does he not consider the credit of the party, and his ability to pay? Are there not tables of innumerable calculations to show what this true value is? Now, may it not be concluded, between men, that two shillings and six-pence, five shillings, or ten shillings, is a reasonable allowance for a note of twenty shillings, under all circumstances. But I agree with gentlemen, if they suppose fraud and imposition in the transaction, that it vitiates the negotiation, and such can and ought to be redressed in our Courts of Law. But if the contract is fair and open, it is valid. I will state an instance:—I have a ship, with a valuable cargo, which I expect to return from India by a certain day; the time elapses, and three months pass away without hearing any thing respecting her; and, in short, she does not arrive within a period much more than sufficient to have completed the whole voyage. The probability is, that she is lost; I apply to have her insured; they ask me seventeen shillings and six-pence in the pound; I conceive two shillings and six-pence better saved than lost. Would any man say they were acting inconsistent with justice? I apprehend not. But would any man suppose I acted conformably to that principle, if, in a fortnight afterwards, the ship arrived, I was to refuse paying the premium stipulated, upon a pretence that I had not received of them a valuable consideration; that the half crown to be given to me, in case of loss, was by no means adequate to the premium I had offered; that seventeen shillings and six-pence was allowing them too much for what they had done. Would not every man laugh at me for terming such conduct either public or private justice? Now, let any man sit down, and, considering what was the situation of the United States;

how much depended upon the successful issue of an uncertain war; how much depended upon the acquiescence of thirteen Legislatures; nay, what is the risk, at this moment, when every other risk is passed, that the transferee does not obtain the full payment of what was stipulated? Or, if he eventually succeeds, as to the principal, what he risks of the interest. Some people might make the calculation at ten per cent. and others at five; but there is undoubtedly some risk on the event of every public measure. Nay, at this moment, if your debt was funded, the probability that exists of a fall of interest would affect the principal. Your Secretary, in the report before you, says, that one hundred dollars, on that account, is not worth more than eighty-two; and *Davenant* calculates, with great plausibility, and, I dare say, no less truth, that seven shillings cash is worth, at any time, ten shillings in notes of funded securities. If this, then, be the case in England, an old, experienced, and well established Government, I ask, what our securities must be worth, a young Government, without knowledge of finance, or resources? I heard a gentleman say, that twenty shillings was the value of a certificate for that sum, because faith ought to be put in Government; but, I think, after this investigation, no such idea will prevail. It was said also, that the creditors had received the interest. When was it paid? I was an original holder of two or three thousand pounds, part of which I lent in gold and silver; I never received interest, but for a short time, in bills on France, which, although for specie, were considerably depreciated, in paper money, and since then, in indents. Gentlemen know what kind of payment indents were; they were lower in the market than the principal. But suppose the interest had been regularly paid, it would not affect our reasoning.

Let us suppose, by way of illustrating the conclusion, the war had taken a different turn; that, instead of being crowned with the noblest title of human nature, the assertors of liberty, and defenders of the rights of mankind, we had failed, and become "*cursed rebels*," whose fate was suspended on the limb of every tree. Now, during the war, I bought of you, for fifty dollars, a certificate of one hundred dollars, which, in the event, turns out not to be worth a single farthing. Now, I apply to you, and tell you, that justice, good faith, and common honesty, require you to give me back the half of the nominal value of this security. Would not the natural answer be—that you sold it to me under its nominal value, by which I was paid for the risk, and that I have no right, in honor or good conscience, to require the return of any part of the purchase money? The risk has turned out for or against me; if your rule will not work both ways, it is not founded on just principles. Gentlemen must feel the weight of this argument, because it applies to their understanding. Then, from these considerations, I conclude, that the sale was a fair one. Where, then, lies



the justice of the demand? That the original creditor is injured, I acknowledge; but by whom? The United States. Who ought to pay the damages? Those who caused the suffering. But to whom? I will instance a case. Suppose a bill of exchange, or a note of hand, is drawn on a man in New York; the holder calls upon him to inform him the bill is due. The man, knowing his circumstances, and incapacity to discharge the demand, which he acknowledges to be just, tells the holder of the note his situation; the holder must, of necessity, wait till the debtor restores his affairs; but having himself pressing demands for money, he brings the bill, bond, or note, into the market; the concurrent opinion is, that the debtor is an expected bankrupt, and he gets no more than five shillings in the pound for the amount in the note. But the debtor's affairs having taken a fortunate turn, he is able to pay the full demand. Will it be just in him to say to the transferee, you gave but five shillings in the pound for my note, by which my friend suffered damage; now, to repay that, in some degree, I will pay you one-half, and him the other. I will turn to the enlightened and liberal merchant to know if this conduct is sanctioned by either the principles of justice or honor? In all cases of notes and bills, of a negotiable nature, the assignee stands precisely in the shoes of the assignor.

Here I may be reminded of the case of an executor, as contradictory to my principle. The gentleman from Virginia (Mr. WHITE) says, the executor who obtains his testator's bonds at an undervalue, can retain no more in his hands than the sum he actually paid. I think this instance is against him, for he stands in the shoes of the assignor, not as an individual person, but as an executor; those whom he represents through his agency has the benefit.

But on what principle can a composition be urged? If the assignor does not receive more than the money paid, where is the justice of depriving him of the stipulated insurance? If the case could not be supported by the common practice of the world, how can it be supported where the case is much stronger? The dispute is between Congress and the bearer. Is not the contract as much between the United States and the bearer, as it ever was between the United States and the original creditor? I think I have clearly shown this to be the case. Why was your certificates made negotiable? On what principle, then, violate your contract?

Let us now, sir, test the dispute on the part of Congress, by the principles of the honorable mover. What says public justice? The constitution, which is your creator, says that no *ex post facto* law shall be made. Here is the Rubicon—this is the line which you cannot pass. The gentleman from Virginia, who spoke this morning, endeavors, by the conjunctive disjunctive, or, to place the expression in another point of view, he supposes the *ex post facto* law alludes to bills of attainder; but he does not pretend, solemnly, to support this opinion. No,

the language is unequivocal, no *ex post facto* law shall be passed. But how do you support the claim of the original holder, who has transferred? By an *ex post facto* law. Is not the present proposition one? Was it not lawful and just to make these purchases? The ordinances of the late Congress invited to it—it was a quality they attached to the paper they issued, not without design. Shall the assignee be deprived of the benefit of a contract founded in justice, and which is secured to him in the most solemn manner? The same constitution which proscribes *ex post facto* laws holds up the idea that the obligation of contracts shall not be impaired. If it forbids this to the States, is it to be presumed that it was meant to be allowed to the United States? But suppose this House had it in their power, agreeably to the Constitution, to violate the obligation of contracts, will you set the first example? When the States are forbid, by the Constitution, to deviate from the line of rectitude, can it be presumed that the General Government was thereby intended to monopolize the right of doing iniquity?

But I have a greater objection still, drawn from the Constitution. It is violating the principles upon which the Constitution itself is formed; it is blending the Legislative and Judicial powers; setting up ourselves as a Court of Judicature, with authority. What becomes of that freedom which the worthies of America were anxious to secure and perpetuate? The destruction of the moulds which separate the two branches of the Government will enable them to run together, and collect into one body; and whenever this becomes the case, farewell to freedom—a Government thus formed can be little less than a tyranny. Does not every gentleman shudder at the consequence? But how are we to act as a Court of Justice? How are we competent to determine questions, in Justice and Equity, between citizen and citizen? I turn indignant from the idea; I would not disgrace the dignity of the situation by such a humiliating sentiment. Sir, I think myself a sovereign, whilst I am exercising the important trust committed to my care; and I never can consent to view a seat in this House as that of a judge deciding upon a question of property. I hope I shall not live to see the day which intermixes the Legislative and Judicial powers, because, I fear, that day will be the last day of our freedom.

But why exercise such authority? Is not the Judicial Department competent to decide every claim of right? Are there not Courts of Equity as well as Common Law Courts? Is not this question said to be a question in equity? If so, why not refer it to the competent jurisdiction? Why apply to Congress for a remedy which they have not, but which others have, and are inclined to administer? By our nature we are the worst of all courts. Have you heard evidence on the question? Who are the original holders? One gentleman tells you the office documents will show; another tells you there are no such do-

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cuments there. I wish gentlemen would contemplate the precipice on which we are standing before they take the fatal leap. I beg gentlemen to view the subject for a moment in this point of light, and I have no doubt they will relinquish the pursuit. The honorable mover ably supported the ground he took. He did it fairly, and upon principle. But, from all the variety of considerations which he urged, I have not been able to select one which influences my judgment, though, I confess, if I saw my way clear, I should approve the object of benignity; but, sir, public justice is opposed to the idea.

What is the happiness of the people? Is it not concerned in our decision? Surely it is. The means to promote this end are within our power; their happiness requires us to administer their affairs, so as to secure their defence in times of danger. Now, if you hazard this you do a material injury. If, by doing what you call an act of justice, you put it out of the power of the United States to anticipate her funds, you do, perhaps, an irreparable injury to the nation. Four out of five, I venture to say, are still original creditors in possession. When you take up the state of the public debt, and see that the loan-office certificates alone amount to eleven millions and a half, and that all that has passed through the hands of the Commissioners of the army accounts is but seven millions, call it eight, of which one-half must have been the property of officers; the other part, say four millions, has been paid to the soldiers. Now, when it is considered again what sums have been sold from other principles than necessity, the debt which is supposed to have this claim upon our equity will be found comparatively small. Now, I ask, will you not, in attempting to serve one, by doing him, at best, but partial justice, you will not injure four in their undisputed rights? Because, I contend, their paper would fall in the market below what it would otherwise be. You injure, therefore, the original creditor, and, in many instances, the very man you mean to serve. What do you propose to pay in? Paper. That paper which you issue, and call ten shillings, is not worth so much as money, consequently, when it comes to market it will sell for less; at the next session you will be bound to make up the deficiency. This is to be done in the same manner; and thus we are to proceed from session to session, always providing for the discharge of our debts, but never able to ascertain or pay them.

I ask if our conduct would be consistent with public faith? You have received the full value of the security; you have, by the most solemn acts, authorized the transfer; you pledged the public faith, at the time of the original contract, to the bearer, as much as to the original creditor; you have repeated this pledge over and over again. Does not public faith, then, require the true and just performance?

If you find that public faith is in favor of the assignee, it is a strong argument that public credit is not against him. Will mankind give

us credit for doing incomplete justice? What will the public say of our conduct? Here, say they, you have been transforming yourselves into a Court of Justice, to determine accounts, but you neither admitted evidence, nor permitted a trial by jury; you have stripped me of my property. I will not put myself under your protection again. In this way public credit will fall to the ground, and no man will, in future, lend you a single farthing.

If you give a new certificate for ten shillings to each, and it is brought into market, it will not command 2s. 6d. in every 20s. after you have established this principle. I acknowledge the proposition is to give the highest market price, 10s. And will this be a sufficient compensation? By what rule of justice do you proceed? Is there any line of justice to be drawn exclusive of the contract? Was not the moment of danger the time, and the parties the proper persons to judge of the contract? How would this stand between man and man? Yet there is more necessity for honesty, justice, and fair dealing, in a Government, than between private persons. In the latter, the want of those essentials may be disguised by hypocrisy and chicanery; but, in public transactions, all things are open. Shall we do, then, in the face of the world, what we would not be warranted to do in private life? Or what if we did, and were caught in it, would it not ruin our credit for ever? What is the reason we have more credit than the former Government? That consisted of individuals of the strictest honor and probity; and in them were collected the Legislative, Executive, and Judicial powers appertaining to the Government. A body thus constituted, comprehending all the functions of Government in itself, could not avoid deciding questions in such a manner as to evince that private rights were not unendangered; yet its imbecility rendered it in nowise a dreadful enemy. Its various and glaring imperfections induced a change in the Government, and we have now secured, by a proper distribution of the powers, all the integrity and efficiency necessary to inspire a perfect confidence in its rectitude and execution; our deliberations are checked by the division of the Legislature into two branches. This, we may flatter ourselves, will secure personal property and private rights; but only while it does this shall we acquire and possess the public confidence.

Let us turn our inquiries to ascertain what may be the public opinion. An honorable gentleman thinks that ninety-nine out of a hundred are in favor of the original creditors; I deny the fact. Have gentlemen brought forward any kind of evidence in support of this assertion? What evidence have we at all of the public opinion being favorably inclined to them? None. I have been looking out, and find the best evidence the other way. I come from a State where there are few assignors; but the general opinion there is, that the contract cannot be so easily broken. I have evidence against

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discrimination—positive and negative. The positive is, the conduct of the States in their Legislative capacity. It is well known that several States have, at different times, taken up this business; but have they made a discrimination? The State of Maryland called in the public securities, and gave her own notes in payment, calculated on the scale established by the late Congress; but did she discriminate between the original and transferred stock? She did not discriminate. Pennsylvania exchanged her certificates for Continental ones; she did not discriminate. The State of New York funded, and paid the interest; she made no discrimination. And New Jersey funded these very debts, at six per cent., and paid the interest thereon without discrimination. These, sir, are positive proofs of what is the public opinion. But I can go further, and assert with confidence that a motion has been made in the Legislature of Massachusetts for a discrimination, and it did not even receive a second. From these facts gentlemen will be inclined to doubt whether public opinion is so decidedly in favor of discrimination as they have been led to suppose; but I will mention one additional circumstance; it is negative evidence, and therefore not absolutely conclusive. We have had no petitions or remonstrances on this subject; but in answer to this it may be said that the claimants are poor, and scattered over the country. This may be the case; but, if I may judge rightly, they are not poorer than many of their fellow-soldiers who have applied to Congress for their invalid pensions. Hence I am inclined to believe that public opinion is not so general in their favor.

This brings me to an important question. The parties are before us, both entitled to justice? What is to be done? The original holder is a sufferer; what is to be done with his claim, having received but one shilling and sixpence in the pound of his just due? I answer, he is exactly in the situation of the man who lost his all by the depreciation of the Continental money; and whose house was robbed, and then fired by the British; or of the inhabitants of Yorktown, Charlestown, and Falmouth, whose cities were sacrificed to a ferocious enemy; with this difference, that the loss of the one was voluntary, on the principle of yielding a part in order to save a part; which comes within the definition of public justice. But if you extend the principle of justice impartially, so as to take in this case, let us inquire what justice would say? Suppose the case to be that of a private person before a Court of Equity, or even that of a nation before that Supreme Tribunal which forces the most potent to do right?

A is bound to B in an express contract; A fails in the performance, which reduces B to distress; B, with the assent of A, sells to C, (by which he is considerably relieved,) though at an under rate, and therefore suffers fifty per cent. loss: C calls for payment from A, of his principal and simple interest: B calls for da-

mages suffered by the breach of A's promise. Where is the Court of Law or Equity in the world; nay, where is the Court, in more pure regions, which would not give the debt to C, and damages to B, and both against A? There is no room for a decree against C. If, then, the argument of the people's happiness is brought in, and it is shown that such a decision is inconsistent therewith, this must be against the claim of B, but not against that of C. I well know the worth, the honor, and integrity of the gentleman who brought this proposition forward, and I would appeal to these qualities to answer me. Suppose, as an original holder, he was to have given him, by the United States, ten shillings out of every twenty he had assigned, at the expense of the assignee, would he not, on a principle of honor, return it?

It has been said, that public faith would not be hurt; there would be no more fluctuation in the stocks, as they would be placed upon permanent and competent funds, and out of the power of Congress. It has been said, that were France or England in our situation, some such interference as is now proposed would take place. In the reign of Louis XIII., the famous Cardinal Richelieu contrived several schemes for paying off the national debt; they were all arbitrary, and founded on the power of that monarch. The Parliamentary step proposed was, by an act of power, to reduce the debt from six to four per cent. Then he proposed to allow the creditors the simple interest only, and make them account for the sums received, and charge the balance against the principal. This, however, was rejected, because he found it would destroy all future credit. The next expedient was the same as now proposed, to reimburse the assignors the sums actually paid by them with interest; but finding it impossible to discover the truth, he rejected this also; and at last adopted the mode of paying what they sold at in market. The last, the Cardinal said, he found to be the most practicable and most equitable; but the famous Sir James Stewart says that it is the most arbitrary, most liable to abuse, and most opposite to public credit.

Early in the reign of Louis XIV. a Chamber of Justice was appointed to go through the investigation; but such was the labyrinth in which they were involved, that, after spending some millions in the attempt, they were forced to relinquish the design. Look at the Commissioners appointed at home but a few years ago, to settle the accounts, and consider the frauds that were imposed on them, and you will dread the experiment. But if it had been practicable in France, their Government is so totally different from ours, that no rule there would apply here; and the author I have named before, says, that had one half of the acts of power been exerted in England, which have been so familiar in France; had half the liberties been taken in tampering with the claims of creditors, a total bankruptcy would long ago have taken place. He recites an act of power,

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which he supposes sufficient to deter monied men from lending to France on perpetual interest. It is the reduction of a hundred millions of Mississippi stock, charged on the ordinary revenue at two and a half per cent. This was, by successive acts of power, first reduced from an exorbitant interest to a moderate interest, and then down to two and a half. Could an act of this kind be perpetrated in America, and public credit survive the shock? But gentlemen have endeavored to show that Great Britain suffered no injury from a similar interference in the case of the South Sea scheme. I endeavored to investigate this business; but history does not furnish sufficient lights; I examined a great variety of authors; but my efforts were unsuccessful, till I turned to the Debates of Parliament, and there I found the whole of this business fully stated. Here I acquired the true history of its rise and progress. In vol. 8, A. D. 1721, I found the proceedings of Parliament thereon. The Court Lords, and those in opposition, crying out against the directors and others who had abused the act and intention of Parliament, a secret committee was appointed to inquire into their proceedings. The Lords examined many of the officers of the Company, with what success is shown by a subsequent resolution; in which they declare that the Sub governor and Directors had prevaricated with them in giving false representations of several matters of fact: that by lending money on stock and subscriptions, they were guilty of a notorious breach of trust; and that they ought to make good the losses which the Company had sustained by their fraudulent management. A few days afterwards, after the doors of the House were closed, several members of the secret committee acquainted the House, that they had already discovered a train of the deepest villainy and fraud that Hell ever contrived to ruin a nation; which, in due time, they would lay before the House; and that in the mean while, in order to a further discovery, they thought it highly necessary to secure the persons of some of the Directors and principal South Sea Officers, and secure their papers. Three days afterwards they resolved that the transferring of stock, belonging to the South Sea Company, or giving credit for the same, without a valuable consideration actually paid, or sufficiently secured; or the purchasing stock by any Director or Agent of the South Sea Company for the use or benefit of any person in the administration, or any member of either House of Parliament, while the late bill in relation to the South Sea Company was depending in Parliament, was a notorious and most dangerous corruption.

On the 2d February, it was resolved, 1st. That the Directors, &c. buying the Midsummer dividend, about the 4th January, 1719-20, and paying five shillings down, and three pounds after the receipt of the said dividend, was a fraud to the persons with whom they contracted.

2d. That the giving a premium for the refusal of stock, at higher prices than they knew was the value, was a fraudulent artifice to raise the price of stock.

3d. That promoting the third subscription at one thousand per cent. was to answer a particular end, and to cheat the public.

4th. That declaring thirty per cent. dividend for the half year, ending at Christmas, and fifty per cent. per annum for no less than twelve years after, was a villainous artifice to delude and defraud His Majesty's subjects.

5th. That the declaring the Midsummer dividend to be paid in stock, when they had money by them to answer the same, was a notorious fraud, and was one occasion of the misfortunes that ensued.

The petitions that were read from the various parts of the Kingdom, praying justice, shows that the interference was for the support of the public faith, and not a violation of it. Those petitions set forth, that they had lent a great part of their estates on the credit of several acts of Parliament, for the public service; and that they thought they had sufficient security, but found themselves betrayed and given up by the managers appointed by their trustees, contrary to the true intent and meaning of the law, and contrary to the faith of public credit; and begging the justice of the House for relief against the fraud of the late South Sea directors, as well as the great and notorious breach of trust in the managers.

On the 29th of July, the King gave his assent to the bill for raising money upon the estates of the Governor, Directors, and others connected with the South Sea Company, towards making good the great loss and damage sustained by the Company; and afterwards the Parliament were prorogued to the 31st of the same month, when they met again, and the Commons, in answer to His Majesty's Speech, resolved, That, for the re-establishment of public credit, relief be given to the South Sea Company, with regard to the payment of £4,155,306. 4s. 11d. and the four and a half years' purchase, and one year's purchase upon several annuities and other national debts; the said Company giving such consideration to the public, and such further relief to the several proprietors, and persons concerned in interest with the said Company, as the House should think proper, and then proceeded to other similar resolutions, all calculated to relieve the distress of those who had been the dupes of the managers of the bubble. They discharge all persons that borrowed money of the Company upon South Sea stock, who actually transferred and pledged the same, from all further demands of the Company, upon paying ten per cent. on the sums borrowed. They prohibited the requirement of special bail upon actions brought upon any of these contracts, and the award of execution upon judgment obtained. Here, it is true, you find the Parliament of Great Britain interfering in contracts between citizen and citizen, but not in contracts be-

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tween the Government and the citizen. Its avowed object was the restoration of public credit, and not its destruction. The event is rather a warning to us to be cautious how we interfere in any manner to injure the public faith, or tread upon public justice.

Thus have I given my reasons for differing with the motion on the table. I now come to the impracticability. When I replied to the gentleman, on a former day, I mentioned this as an objection perfectly satisfactory to my mind; and I argue it:

1st. From the nature of the debt, which consists of Continental money, Loan-office certificates, lottery prizes, certificates of soldiers' pay, commutation, commissaries' certificates for supplies furnished, and services rendered, indents, the registered debt, and Treasury certificates.

2d. From the actual transfers which have taken place, with regard to States and public bodies, some States have adopted new loans, and received your certificates in lieu of others of their own, which gentlemen will not pretend to say they can discharge for less than twenty shillings in the pound. States have passed tender-laws to support these certificates. New York and New Jersey have taken measures of this nature. But, besides, there have been paid into the Treasury of the United States, a million of dollars, in certificates, for your Western lands; they were not paid in by the original holder, yet you gave value for them. The fines and penalties which have been paid, five millions of dollars, are already paid into your Treasury, for which new certificates have issued of this registered debt; three millions perhaps are in the hands of foreigners; consider the circumstances under which they became purchasers. They sent to the President of Congress; they had certificates from him that the amount of the debt could not be varied, nor its terms changed; it was liable to no liquidation; individual members of Congress gave similar testimonials. I believe they took the precaution of applying to your foreign ministers, and they obtained certificates from them, under which they were disposed to purchase into your funds. These circumstances are worthy of consideration; I do not pretend, however, that they should have weight, if their principles be not supported by reason and facts.

3d. Proof of the impracticability arises from the impossibility of ever discovering the truth, by the arts and devices which would be practised to disguise and conceal it; the want of documents to trace it, and the deaths and absences which may justly be apprehended.

4th. From the impracticability of the inquiry, and the time it would take a host of Commissioners, Clerks, and Judges to go through it. You must adopt some general rule, and this would work injustice; or you must vest a discretionary power, in other words, an absolute power to be exercised by the Commissioners; and this would put the right of property

in the gift of your officers, without the privilege of trial by jury, where facts were disputed. If I say I am the original holder, because my name is on the certificate, how will you determine the contrary? But if these objections are not sufficient, my

5th Will preponderate considerably. The expense will be an insuperable objection. The Chamber of Justice appointed in France, which I have already mentioned in the affair of the Mississippi, sat some time in a similar investigation; they ascertained claims to the amount of two millions, and their expenses amounted to thirty or forty millions.

6th. From the injury to the indisputable creditor, by keeping him off, and running him to the expense of a useless investigation.

7th, and lastly. From the absurdity of requiring men to subscribe to a loan, by which they must lose half of their principal.

In fine, sir, I am convinced that the measure cannot be adopted, as it is founded on wrong principles; but if even the principles were just, their execution is impracticable.

Mr. SEDGWICK moved the committee to rise; but several gentlemen opposed it with a view of having the argument continued.

Mr. WHITE wished the committee to rise, as he was convinced the committee was too much exhausted to attend fully to any further argument this day; and it would consequently put the speakers under considerable disadvantage.

The committee hereupon rose, and reported progress; after which the House adjourned.

THURSDAY, February 18.

#### PUBLIC CREDIT.

The House again went into a committee on the Secretary of the Treasury's report, Mr. BALDWIN in the chair.

Mr. MADISON's proposition still under consideration.

Mr. STONE.—I shall not attempt to show the importance of the subject before us, as it relates to public credit; or as it will affect our character as a nation, at home and abroad. These have been explained; but it is proper for us to consider how far the amendment may operate to establish a precedent of Continental and State Legislation, the influence it may have on society, and the rules of civil conduct between man and man. Every community must experience that the conduct of the Government will influence the opinions of the individuals; and the spirit of the individual will transmute itself into the Government. This action and re-action operates more powerfully in a Republican Government, founded on representation, than on any other.

Our situation is made more important, on the present occasion, by a disagreement on principles which ought to be fixed and plain; to me it seems that we differ on the principle of public justice. This may be unfortunate—

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let us endeavor to be reconciled. If the true distinction between natural and civil justice be accurately drawn, we may annihilate the point in contest. Agreeably to the principle of natural justice, no contract is perfect unless there be an equivalent; and that which we call a valuable consideration, on which to ground a contract, is founded on the idea of an equivalent, and presupposes it. And, I believe the idea of such a consideration being an equivalent, is the foundation of the validity of a contract, even in the English law; and is always carried into effect, wherever the execution is safe and certain; because I think, whenever it appears in any Court of Justice, that the consideration was not an equivalent, that then the contract is not carried into execution. The execution of the principle of natural justice then is safe; for instance, £99. 19s. 11d. is not a consideration for £100, but a small sum may be a consideration for a valuable property; this does not arise from an infraction of the principle; but because the property may not have a determinate value in the society; and it would make Judges arbitrary, legal proceedings extremely expensive, and contracts uncertain, if an extensive discretion as to the value was admitted. But whenever the consideration is so small and inadequate, as to appear so plainly and satisfactorily that the Judge cannot be mistaken in determining it not to be an equivalent, there the contract is not valid.

Now, if we have received services from the soldier, and have given him paper, the question will be, whether that was an equivalent, and the paper a proper payment; or whether it is only an evidence of the debt? I take it to be a granted point that it was not a payment, but an obligation to pay whenever the United States should be able. It appears to me, then, that it was the duty of the person who received the paper, to wait a reasonable time; and the duty of the nation to make actual payment as speedily as possible. If the person who had received this paper had wantonly parted with it for nothing, I agree we should have been under no more obligation to pay him the expressed sum, than if we had paid him money, and he had flung it away or wasted it; but if, on the contrary, there was a delay in the execution of the contract, on the part of the Government, which compelled him to part with it, a compensation is equitable.

The same rule will apply between the original holder, or person who rendered the service, and present possessor or assignee; for shortness we will distinguish them by the names of soldier and speculator. The speculator, when he dealt with the soldier, must, from the nature of the thing, have induced him to believe that he gave him an equivalent for his purchase; and it might have been an inducement to the soldier to sell, to think he had something more than an equivalent; the speculator thought he had more than an equivalent, throwing necessity on the one side, and fraud on the other,

out of the question. Then the confidence was equal, perhaps not a penny between them: I can hardly conceive the exchange took place on any other terms. You never can allow the confidence of the speculator to be estimated very highly, perhaps at not more than one for ten. For if it is admitted, that the speculator had entire confidence, he was guilty of a palpable fraud, and a violation of the first principle of justice; it amounted to this, that he gave £10 in money for £100 bond, which he was certain would be paid. I believe, if the case stood exactly in this form, no man would hesitate in deciding its illegality. If a man takes £100 for £10, it is illegal; but suppose there was a risk, and this risk was considered by the speculator as little less than ten for one, has he not discovered his own mistake when he sees he gets an interest of sixty per cent. on his capital; and that capital tenfold? This contract then ought to be void on the principle of a mistake; and here you place the speculator between Scylla and Charybdis. If he really thought the certificates only worth one for ten, you can give him no credit for his confidence; and you will admit that he ought to be satisfied with a reasonable advance on his purchase. But if you give him entire credit for his confidence in Government, you must give him no credit for his honesty. If both parties had known of this event, the contract would never have taken place. If you pay the whole sum, the speculator ought to take no more than what he gave a fair equivalent for. Gentlemen who seem afraid of giving to the soldier a part of his original claim, lest they affront his nobleness of soul, make no scruple to offer the speculator ten times the sum he is entitled to, on the principle of natural justice, without any apprehension that his honor will receive a wound. If the claim of the soldier was extinguished by receiving two shillings in the pound of the speculator, upon what principle is it contended that the latter should receive more than distributive justice? Arguments, proving that the justice due to the first has been satisfied by what has been done, apply with greater force to the latter.

It has been doubted, and a question has been agitated, whether we shall exercise the power of reconsidering these contracts, and whether a modification is constitutionally in our power? I will not go into this subject, or any other which ought to be taken for granted. I shall take it, that we are authorized, and do mean to interfere; you must act. Do you mean to pay the principle and interest now due? I believe not. Will you shelter yourself under the plea of necessity? That is impossible. I dare say, if the United States were sold, they would at least be worth six hundred millions of dollars; and we have but eighty millions to provide for. Having, then, the means and power, I trust you mean to exercise them; and as you exercise them, you ought to exercise them as justly as possible; then, to do this,



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you will, it is said, personify the three parties concerned—the United States, the original holder, and the speculator. I do not clearly comprehend the idea of a personified State; perhaps it arises from my dulness of apprehension. Man, in his natural capacity, is sometimes obliged to do what is considered unjust; but a State, when it has power, is not obliged to do what is unjust. The State, then, in this respect, is doing what an honest man would do, if he had the power of conducting this business as he thought proper.

The speculator comes to you with his bond, and tells you it is due. The soldier tells you that he has done services to a considerable amount, for which he never has been paid; and that those evidences of the demand which you gave to him, were obtained from him, for one-tenth part of what they were declared to be worth. The State says to the speculator, you have made a great deal, and out of a man who has risked his life, and borne every burthen which human nature could bear, with the greatest fortitude which the most virtuous heart is capable of exerting, let him have a part back. The speculator answers no; here is your bond. Consider again, replies the State, that the veteran's services, at the expense of his health and property, at the risk of his life, has saved you and yours; and not only that, but he is obliged to pay of your demand, more than he has ever received. What is now his answer? Here is the bond, pay me my bond. Under these circumstances, supposing the State an individual, he might, without much infamy to his character, exercise the power which he has over his own bond, in order to do justice between the parties. He might say to the speculator, you had the soldier in your power; you did him injustice; we have you now in our power, we will do you complete justice, but no more. A private man could never be injured in his reputation by such conduct: indeed, according to the result of these circumstances, the hardships of war, and the breach of contract, has unfortunately inflicted upon the man, the most meritorious in this community, or perhaps in any other community, sufferings and miseries—a punishment sufficient to atone for the guilt of the greatest crimes. This, in the event, appears to be the situation of the saviors of America.

What sort of character are you to acquire by this conduct? According to your acts and merits, such will be your reputation. If you evince, by your determination, that you will reward merit, and do justice under every circumstance, to those who have acted meritoriously, such will be your reputation; and you will have the assistance, support, love, and veneration of those who are meritorious; but if, on the contrary, you neglect services of that kind, and are strictly bound to the payment of whatever appears due by you on paper; what will be the effect? Men will not be extremely anxious to serve you, but extremely anxious to get your bond. And what political influence will this have? It

will be this; it will place you in the situation of most Governments in Europe, which do not depend for support upon the love and confidence of their own citizens; but depend altogether upon mercenaries, who are sure of their pay, because they will be paid; whenever they get your promise, they will compel the performance.

It is very clear from these sentiments, what we would do if it were in our power; but there is a difference between what we feel, and what we would do as individual men, and what we ought to do as a nation. I believe there is an essential difference between the executing of public and private justice; hence, I believe gentlemen are mistaken, when they attempt to personify a State. A great legislator, *Solon*, said, that the laws which he made were not the best possible, but the best the community were able to bear. The public must lay down general rules, which will operate more justice than injustice; and they must very often enact laws which they are almost certain will work injustice, but will produce benefit to the public, and secure the great interests, peace, happiness, and liberty of the community. I shall only mention one case; it is very clear, that when an act of limitation passes in any country, it will be productive of injustice, yet, in civil institutions, perhaps no act is more necessary.

Here we are to consider how far we may deceive the public, in the opinion heretofore entertained of this Government; how far we can exercise an arbitrary discretion in deciding on our contract, and departing from the letter of it, and the extensive influence this may have, it appears to be a dangerous and unhappy step. In its influence, it would introduce a lax mode of judging, in all cases, legislative, judicial, and private. Can the peace and happiness of the community sustain the shock? It would be setting up a standard of justice, different from the constant habits of the people. I, myself, determined to adopt measures calculated to do justice between the soldier and speculator, if any such could be devised, without breaking down those bulwarks. It would be agreeable to me, and I really have not yet subscribed to the idea, that it is impossible to do both. I would wish, if it be possible, to arrive at this point; that we should throw out inducements to those in possession of transferred securities, to return them into the hands of the original holders for a valuable consideration. And it appears to me this may be done, without such a breach of contract as is now proposed by a discrimination in time of payment; and deducting from those certificates, the original sum or interest; and this would have this effect, those who are desirous of getting paid most speedily, would be most industrious in getting a re-assignment from the original holder. Suppose we were to fail in this respect, it does not appear to me, that we cannot pay both those who hold them, and also something to them, who, in the early stage, parted with their debts for little or

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nothing. Besides the revenue arising from impost, I am well satisfied that other sources might be opened with perfect convenience. If for the payment of our foreign debt we have hard money, that would be all that would be necessary. If to pay the domestic debt we take paper, large sums would be paid into the land-office opened upon proper principles. The citizens would be willing to bear a land-tax, if necessary to discharge the debt. A tax on carriages, and other sources of revenue, might come in, and to prevent the misfortune of suffering injustice, or violating the principles of Government, the whole of those taxes might be paid in paper, and, in this way, might be paid without much distress to the community.

These being my ideas on the subject, I shall vote against the proposition on the table; but if any mode can be brought forward, correspondent to what I have suggested, I shall vote for it. I am in favor of a discrimination, in point of time, but against a destruction of any part of the property.

Mr. MADISON said, that the opponents of his proposition had imposed on its friends not only a heavy task, by the number of their objections, but a delicate one by the nature of some of them. It had been arraigned as an embarrassing measure which ought to be facilitated, and producing discussions which might end in disagreeable consequences. However painful it might be to contradict the wishes of gentlemen whom he respected, he could promise nothing more, in the present case, than his endeavors to disappoint their apprehensions. When his judgment could not yield to the propositions of others, the right to make and support his own, was a right which he could never suffer to be contested. In exercising it, he should study to maintain that moderation and liberality which were due to the greatness of the subject before the committee. He felt pleasure in acknowledging, that the like spirit had, in general, directed the arguments on the other side. Free discussions thus conducted are not only favorable to a right decision, but to a cheerful acquiescence of the mistaken opponents of it. They might have the further advantage of recommending the result to the public, by fully explaining the grounds of it. If the pretensions of a numerous and meritorious class of citizens be not well founded, or cannot be complied with, let them see that this is the case, and be soothed, under their disappointment, with the proof that they have not been overlooked by their country.

He would proceed now to review the grounds on which the proposition had been combated; which he should do without either following those who had wandered from the field of fair argument, or avoiding those who had kept within its limits.

It could not have escaped the Committee, that the gentlemen to whom he was opposed, had reasoned on this momentous question as on an ordinary case in a Court of Law; that they had equally strained all the maxims that could

favor the purchasing, or be adverse to the original holder; and that they had dwelt with equal pleasure on every circumstance which could brighten the pretensions of the former, or discredit those of the latter. He had not himself attempted, nor did he mean to undervalue the pretensions of the actual holders. In stating them, he had even used as strong terms as they themselves could have dictated; but beyond a certain point he could not go. He must renounce every sentiment which he had hitherto cherished, before his complaisance could admit that America ought to erect the monuments of her gratitude, not to those who saved her liberties, but to those who had enriched themselves in her funds.

All that he wished was, that the claims of the original holders, not less than those of the actual holders, should be fairly examined and justly decided. They had been invalidated by nothing yet urged. A debt was fairly contracted; according to justice and good faith, it ought to have been paid in gold or silver; a piece of paper only was substituted. Was this paper equal in value to gold or silver? No. It was worth, in the market, which the argument for the purchasing holders makes the criterion, no more than one-eighth or one-seventh of that value. Was this depreciated paper freely accepted? No. The Government offered that or nothing. The relation of the individual to the Government, and the circumstances of the offer, rendered the acceptance a forced, not a free one. The same degree of constraint would vitiate a transaction between man and man, before any Court of Equity on the face of the earth. There are even cases where consent cannot be pretended; where the property of the planter or farmer had been taken at the point of the bayonet, and a certificate presented in the same manner. But why did the creditors part with their acknowledgment of the debt? In some instances, from necessity; in others, from a well-founded distrust of the public. Whether from the one, or the other, they had been injured; they had suffered loss, through the default of the debtor; and the debtor cannot, in justice or honor, take advantage of the default.

Here, then, was a debt acknowledged to have been once due, and which was never discharged; because the payment was forced and defective. The balance, consequently, is still due, and is of as sacred a nature as the claims of the purchasing holder can be; and if both are not to be paid in the whole, is equally entitled to payment in part.

He begged gentlemen would not yield too readily to the artificial niceties of forensic reasoning; that they would consider not the form, but the substance—not the letter, but the equity—not the bark, but the pith of the business. It was a great and an extraordinary case; it ought to be decided on the great and fundamental principles of justice. He had been animated upon, for appealing to the heart as well



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as the head: he would be bold, nevertheless, to repeat, that, in great and unusual questions of morality, the heart is the best judge.

It had been said, by a member from Massachusetts, that the proposition was founded on a new principle in Congress. If the present Congress be meant, that is not strange, for Congress itself is new; if the former Congress be meant, it is not true, for the principle is found in an act which had been already cited. After the pay of the army had, during the war, been nominally and legally discharged in depreciated paper, the loss was made up to the sufferers.

It had been said, by a member from New York, that this case was not parallel, there being no third party like the present holders of certificates. This objection could not be valid. The Government paid ten dollars worth in fact, but only one to the soldier. The soldier was then the original holder. The soldier assigned it to the citizen; the citizen then became the actual holder. What was the event? The loss of the original holder was repaired, after the actual holder had been settled with, according to the highest market value of his paper.

He did not mean, however, to decide on the whole merits of this last transaction; or to contend for a similitude, in all respects, between the two kinds of paper. One material difference was, that the bills of credit, by more frequent transfers, and by dividing the change of value among a greater number of hands, rendered the effect of less consequence to individuals, and less sensible to the public mind. But this difference, whatever force it might give to the claims of the purchasing holder of certificates, could diminish nothing from the claims of the original holders who assigned them.

It had been said, by another member from Massachusetts, that the old Government did every thing in its power. It made requisitions, used exhortations, and in every respect discharged its duty; but it was to be remembered, that the debt was not due from the Government, but the United States. An attorney, with full powers to form, without the means to fulfil engagements, could never, by his ineffectual, though honest efforts, exonerate his principal.

He had been repeatedly reminded of the address of Congress in 1783, which rejected a discrimination between original and purchasing holders. At that period, the certificates to the army, and citizens at large, had not been issued. The transfers were confined to loan-office certificates, were not numerous, and had been, in great part, made with little loss to the original creditor. At present, the transfers extend to a vast proportion of the whole debt, and the loss to the original holders has been immense. The injustice which has taken place has been enormous and flagrant, and makes redress a great national object. This change of circumstances destroys the argument from the

act of Congress referred to; but if implicit regard is to be paid to the doctrines of that act, any modification of the interest of the debt will be as inadmissible as a modification of the principal.

It had been said, that if the losses of the original creditors are entitled to reparation, Congress ought to repair those suffered from paper money—from the ravages of the war, and from the act of barring claims not produced within a limited time. As to the paper money, either the case is applicable, or it is not; if not applicable, the argument fails; if applicable, either the depreciated certificates ought to be liquidated by a like scale, as was applied to the depreciated money; or the money, even if the whole mass of it was still in circulation, ought now to be literally redeemed, like the certificates. Leaving the gentleman to make his own choice of these dilemmas, he would only add, himself, that if there were no other difference between the cases, the manifest impossibility of redressing the one, and the practicability of redressing the other, was a sufficient answer to the objection. With respect to the towns burnt, and other devastations of war, it was taught, by the writers on the law of nations, that they were to be numbered among the inevitable calamities of mankind. Still, however, a Government owed them every alleviation which it could conveniently afford; but no authority could be found that puts on the same footing with those calamities, such as proceed from a failure to fulfil the direct and express obligations of the public. The just claims barred by the act of limitation, were, in his opinion, clearly entitled to redress. That act was highly objectionable. The public, which was interested in shortening the term, undertook to decide, that no claim, however just, should be admitted, if not presented within nine months. The act made none of the exceptions usual in such acts, not even in favor of the most distant parts of the Union. In many instances, it had been absolutely impossible for the persons injured to know of the regulation. Some of these instances were within his own knowledge. To limit the duration of a law to a period, within which it could not possibly be promulgated, and then take advantage of the impossibility, would be imitating the Roman tyrant, who posted up his edicts so high that they could not be read, and then punished the people for not obeying them.

It has been said, that if the purchased certificates were funded at the rate proposed, they would fall in the market, and the holders be injured. It was pretty certain, that the greater part, at least, would be gainers. He believed that the highest market price, especially with the arrears of interest incorporated, well funded at six per cent. would prevent every loss that could justify complaint.

But foreigners had become purchasers, and ought to be particularly respected. Foreigners, he remarked, had themselves made a difference between the value of the foreign and domestic

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debt; they would, therefore, the less complain of a difference made by Government here. It was his opinion that the term stated in the proposition would yield a greater profit to the foreign purchasers than they could have got for their money if advanced by them in any of the funds of Europe.

The proposition had been charged with robbing one set of men to pay another. If there were robbery in the case, it had been committed on the original creditors. But, to speak more accurately, as well as more moderately, the proposition would do no more than withhold a part from each of two creditors, where both were not to be paid the whole.

A member from New York has asked, whether an original creditor, who had assigned his certificate, could, in conscience, accept a reimbursement in the manner proposed? He would not deny that assignments might have been made with such explanations, or under such circumstances, as would have that effect; but, in general, the assignments have been made with reference merely to the market value, and the uncertainty of the steps that might be taken by the Government. The bulk of the creditors had assigned under circumstances from which no scruple could arise. In all cases where a scruple existed, the benefit of the provision might be renounced. He would, in turn, ask the gentleman, whether there was not more room to apprehend that the present holder, who had got his certificate of a distressed and meritorious fellow-citizen for one-eighth, or one-tenth its ultimate value, might not feel some remorse in retaining so unconscionable an advantage?

Similar propositions, it was said, had been made and rejected in the State Legislatures. This was not a fact. The propositions made in the State Legislatures were not intended to do justice to the injured, but to seize a profit to the public.

But no petitions for redress had come from the sufferers. Was merit, then, to be the less regarded, because it was modest? Perhaps, however, another explanation ought to be given. Many of the sufferers were poor and uninformed. Those of another description were so dispersed, that their interests and efforts could not be brought forward. The case of the purchasing holders was very different.

The constitutionality of the proposition had been drawn into question. He asked whether words could be devised that would place the new Government more precisely in the same relation to the real creditors with the old? The power was the same; the obligation was the same. The means only were varied.

An objection had been drawn from the article prohibiting *ex post facto* laws. But as *ex post facto* laws relate to criminal, not civil cases, the constitution itself requires this definition, by adding to a like restriction on the States an express one against retrospective laws of a civil nature.

It had been said, that foreigners had been led to purchase, by their faith in the article of the Constitution, relating to the public debts. He would answer this objection by a single fact: Foreigners had shown, by the market price in Europe, that they trusted the nature of foreign debt more under the old Government, than the nature of the domestic debt under the new Government.

Objections to the measure had been drawn from its supposed tendency to impede public credit. He thought it, on the contrary, perfectly consistent with the establishment of public credit. It was in vain to say, that Government ought never to revise measures once decided. Great caution on this head ought, no doubt, to be observed: but there were situations in which, without some Legislative interposition, the first principles of justice, and the very ends of civil society, would be frustrated. The gentlemen themselves had been compelled to make exceptions to the general doctrine: they would probably make more before the business was at an end.

It had been urged, that if Government should interpose in the present case, as interposition would be authorized in any case whatever where the stock might fluctuate, the principle would apply as well to a fall of sixty or seventy per cent. as to a fall of six hundred or seven hundred per cent. He could not admit this inference. A distinction was essential between an extreme case, and a case short of it. The line was difficult to be drawn; but it was no more incumbent on him than on his opponents to draw it. They themselves could not deny that a certain extremity of the evil would have justified the interposition. Suppose that the distress of the alienating creditors had been ten times as great as it was; that instead of two, three, or four shillings in the pound, they had received a farthing only in the pound; and that the certificates lay now in the hands of the purchasers in that state, or even at a less value, was there a member who would rise up and say, that the purchasers ought to be paid the entire nominal sum, and the original sufferer be entitled to no indemnification whatever?

Gentlemen had triumphed in the want of a precedent to the measure. No Government, it was said, had interposed to redress fluctuations in its public paper. But where was the Government that had funded its debts under the circumstances of the American debt? If no Government had done so, there could be no precedent either for or against the measure, because the occasion itself was unprecedented. And if no similar occasion had before existed in any country, the precedent to be set would at least be harmless, because no similar occasion would be likely to happen in this.

If gentlemen persisted, however, in demanding precedents, he was happy in being able to gratify them with two, which, though not exactly parallel, were, on that account, of the greater force, since the interposition of Govern-

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ment had taken place where the emergency could less require them.

The first was the case of the Canada bills. During the war which ended in 1763, and which was attended with a revolution of the Government in Canada, the supplies obtained for the French army in that province were paid for in bills of exchange and certificates. This paper depreciated, and was bought up chiefly by British merchants. The sum and the depreciation were so considerable as to become a subject of negotiation between France and Great Britain at the peace. The negotiations produced a particular article, by which it was agreed by France that the paper ought to be redeemed, and admitted by Great Britain that it should be redeemed at a liquidated value. In the year 1766 this article was accordingly carried into effect by Ministers from the two Courts, which reduced the paper in the hands of the British holders, in some instances, as much as seventy-five per cent. below its nominal value. It was stated, indeed, by the reporter of the case, that the holders of the paper had themselves concurred in the liquidation; but it was not probable that the concurrence was voluntary. If it was voluntary, it shows that they themselves were sensible of the equity of the sacrifice.

The other case was of still greater weight, as it had no relation to war or treaty, and took place in the nation which has been held up as a model with respect to public credit. In the year 1713, the civil list of Great Britain had fallen into arrears to the amount of £500,000. The creditors who had furnished supplies to the Government had, instead of money, received debentures only from the respective officers. These had depreciated. In that state, they were assigned in some instances; in others, covenanted to be assigned. When the Parliament appropriated funds for satisfying these arrears, they inserted an express provision in the act, that the creditors who had been obliged, by the default of Government, to dispose of their paper at a loss, might redeem it from the assignees by repaying the actual price, with an interest of six per cent. and that all agreements and covenants to assign should be absolutely void. Here then was an interposition on the very principle, that a Government ought to redress the wrongs sustained by its default, and on an occasion trivial when compared to that under consideration; yet it does not appear that the public credit of the nation was injured by it.

The best source of confidence in Government was the apparent honesty of its views. The proposition could not possibly be ascribed to any other motive than this, because the public was not to gain a farthing by it. The next source was an experienced punctuality in the payments due from the Government. For this support to public credit, he relied on what had been experienced by a part of the foreign creditors; on the provision to be made for the residue; and on the punctuality which, he flattered

himself, would be observed in all future payments of the domestic creditors. He was more apprehensive of injury to public credit from such modifications of the interest of the public debt as some gentlemen seemed to have in view. In these the public would be the gainer, and the plea of inability the more alarming, because it was so easy to set up, so difficult to be disproved, and for which, consequently, the temptations would be so alluring.

The impracticability of the measure was the remaining ground on which it had been attacked. He did not deny that it would be attended with difficulties, and that perfect justice would not be done. But these were not the questions. It was sufficient that a grievous injustice would be lessened, and that the difficulties might be surmounted. What he had in view was, that for the convenience of claimants some authority should be provided, and properly distributed through the Union, in order to investigate and ascertain the claims; and that, for the security of the public, the burden of proof should be thrown on the claimants. A scrutiny on this plan, aided by original settlements in the books of the army department, and the state commissioners, and other office documents, would be a remedy, at once, for all the difficulties stated with regard to fictitious names, certificates issued as money by commissaries and quartermasters, due bills, &c.

For some particular cases, special provisions might be requisite. The case of loan-office certificates, alienated at early periods, before they were much depreciated, fell under this description. Legacies might be another. He would have no objection to some special regulation, as to the payments of debts in certificates to persons within the British lines, said to have been authorized by the laws of New York; though he presumed few such payments had been made, and that of this few the greater part had, by this time, passed from the creditors into other hands. There might be a few other cases equally entitled to some particular attention in the details of the provision. As to the merchants who had compounded for their debts in certificates, or persons who had exchanged bonds for them, it could not be doubted that the transactions had reference to the market value of the paper, and therefore had nothing peculiar in them.

The expense incident to such a plan of investigation ought to form no difficulty. It bears no proportion to the expense already incurred by commissioners, &c. for effecting a less proportion of justice. Rather than justice should not be done, the expense might be taken out of the portion to the original sufferers.

The danger of frauds and perjuries had been worked up into a formidable objection. If these had always been equally alarming, no provision could have ever been made for the settlement or discharge of public debts. He reminded the committee of the frauds and perjuries for which a door had been opened by the final settlements, &c. of the frauds and perjuries inseparable

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from the collection of imposts and excises; yet these were all submitted to as necessary evils, because justice could not be done without them. The frauds and perjuries incident to this supplementary provision for justice must be very inconsiderable in number; and still more so, when compared either with the object to be obtained, or with the like evils already encountered in pursuit of a like object.

Great ingenuity and information had been exerted by the gentlemen on the other side in raising difficulties. He was sure that, after an adoption of the proposition, the same exertion would be used in removing them, and with such aid, the idea of impracticability would vanish.

**MR. BENSON.**—I flattered myself some gentleman would have answered the question I stated when I was last up on this subject; but, as it is not done, I beg leave to repeat it; and as I understood the honorable gentleman from Georgia had put the answer upon the gentleman from Virginia, I submit it to him. Suppose I had purchased a certificate of one hundred dollars of him, which, when I go to fund, I find but the half allowed me, the other fifty dollars are retained in the Treasury for him. Now I ask whether, if I was to state to him the fact, he would take advantage of the law against me, and refuse to give me authority to take it up in his name? I do not wish to present this question in an indelicate manner. What I said before I say still, it is one on which I would not suffer my mind to deliberate, lest my passions should get the better of my reason; it is a plain question, and I admit but the simple answer of yes or no.

**MR. MADISON.**—I thought I had answered this question, in some degree, when I was up before. I said it should depend on the circumstances of the transaction between the two individuals. If by the contract it was agreed, or the idea particularly understood was, that the assignee should be entitled to all advantages whatsoever, which the discretion of the Government should afterwards grant, then I believe the individual transferring would be restrained by a necessary scruple; but if the certificate had passed from hand to hand, both parties knowing the uncertainty as to what steps the Government would pursue, I do not see that the most tender conscience need be restrained from taking the benefit of what the Government should afterwards determine. But it was to be remembered, that a greater part of the transfers had been made under circumstances that left us room to suppose, that original creditors were restrained from accepting an equitable compensation of their cases.

How would the observation apply to the case of the old depreciated money paid to the army? Suppose a soldier had paid away the money received by him, or assigned his arrears of pay, would the assignee be in equity entitled to the benefit of the act for making up the depreciation? Or was it ever understood that the sol-

dier was bound in conscience to renounce the benefit in favor of the assignee?

I would beg leave now, in turn, to ask the gentleman a question. Suppose he had been one of those who resorted to our army at the time it was disbanded, and had found a soldier, one of that band who had established the liberties of his country, and had heard the declaration of his beloved commander, "that his country would finally do him ample justice," turned loose, not with the payment of gold or silver solemnly stipulated, but with a piece of paper, such as was substituted? And suppose that the gentleman had obtained, from the necessities of the soldier, the evidence of his claim at a tenth of its value, and had either received from the interposition of his State the payment of sixty per cent. on his advance, or was now to have that interest with the principal, or even half the principal funded, I ask whether the delicacy of the gentleman would not be shocked at the reflection that this exorbitant accumulation of gain was made at the expense of the most meritorious part of the community, and whether his conscience could refuse a participation of it to the sufferer?

**MR. BENSON** had no hesitation to say, that if the soldier made the application as a matter of right, he should reply, no, sir, I am in justice entitled to the whole sum. But if he did not put his claim on the footing of the contract, but merely addressed his benevolence, he would take his circumstances into consideration, and what he would then do depended on other principles than if it was a claim of right.

**MR. LEE** thought the questions proposed by the gentleman from New York were highly improper and inadmissible in that House; that we were not assembled as individuals, but in a national character. It was our duty to do the best for the general welfare, and that no member had a right, in any manner, to insinuate that any gentleman in that House was governed in his political conduct by motives which, as an individual, he would condemn. He should not have risen, probably, at all on the question, if he had not felt his indignation roused by the language of the gentleman from New York; but having been thus brought on the floor, though he was very sensible of his incompetency to the task, he would, under all the influence of delicacy and diffidence, take the liberty of expressing his ideas in a few words.

The gentlemen who had argued against the proposition of his colleague seem to have resorted to those rules which are found necessary to regulate the intercourse between man and man in civil society, without regarding the great law of political associations, which had for its object the safety and happiness of every individual in the community. The end of Government was certainly to accommodate all, and not to aggrandize a few; and every class of citizens ought to be regarded in the distribution of national justice. Nothing is more common in the history of the most virtuous and renowned

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ed republics, when brought into calamitous circumstances, than to see this great law superceding the forms established to regulate civil intercourse. Without such exercises of power, justice could not have been done, nor the nation preserved. And, in such a situation, no wise people will ever be bound by the ordinary maxims of Government; so that he had no doubt of the right of the Government to interfere on the present occasion. He also thought that, in all the deliberations of the House, the nature of our Government should be attended to. It was a Government of the people, and nothing like a coercive principle was to be found in it. In order, therefore, to make the administration of it salutary and honorable, our measures should be calculated to meet the popular approbation. Paying taxes was a serious thing; and to induce a free people to pay taxes, they must be convinced of the necessity and equity of them. And if the proposition on the table was calculated to reconcile the public mind to the requisite degree of taxation, every class of the public creditors would, probably, be finally benefited by its adoption. If, on the contrary, our measures should appear irreconcilable to the popular idea of equity and right, is it probable that they would meet with that hearty support, from the community, which, under our Government, is essential to a prosperous administration of it? The general opinion of the people should have its due weight in all our deliberations; and he believed that the calm and unbiassed expression of the public mind, would be always found the best index of that which was just and politic. For his own part, he declared that he had always been convinced of the equity of such an arrangement as that proposed by his colleague, but that he had considerable doubts with regard to the practicability of such a plan, which were not yet altogether removed. But this appeared to him by no means a sufficient reason to prevent us from recognizing the principle. This would be a declaration to the world, and to our constituents, that we did not disregard the great principles of natural equity; and if hereafter, on further investigation, the plan should be found impracticable, this would be a sufficient justification to us for relinquishing it.

He concluded with observing, that he had been unexpectedly induced to appear on the floor, and had hastily expressed ideas which were the ebullitions of the moment; and hoped, that, in future, the debate would be conducted without intimating, in the most remote degree, that any gentleman was influenced by unworthy motives. For his own part, when he entered the House, he considered himself as entering into a sanctuary; and that every motive or passion which had not for its object the public good should be left behind. He did not doubt that every gentleman took his seat here with similar impressions; and expressed a hope that the final result of their deliberations would be that which would contribute most to the national honor and advantage.

Mr. SCOTT.—Inasmuch as he had expressed his sentiments generally on the subject now under consideration, when it bore a shape somewhat different from the present, and considering that, perhaps, he might be induced to vote in a manner that would not be understood without an explanation, he requested the indulgence of the committee whilst he attempted to offer his sentiments freely upon the business immediately under their notice.

The arguments of the gentleman in opposition to the present motion, when taken altogether, seem to rest their whole force upon the idea of a contract said to be made, and of which contract the papers in question are said to be evidences. This is a doctrine which he absolutely denied. If those papers are evidences of any thing, it is of the pre-existing contract broken. At what period, sir, said he, did Congress contract with their soldiers? At what period did they contract with their citizens, who furnished the necessary supplies for our army? Was it at the time those papers were issued, or long before? It was long before. Consequently those papers cannot be considered as evidences of any contract, unless we refer to an implied contract made when they were issued, at the conclusion of the war; which, in fact, was the last conceivable period for the settlement of such engagements as had existed long before, and to fulfil which was totally out of the power of Congress. Surely, then, it must be allowed, since it was not in their power to fulfil the original engagements, and since it was not in the power of interested individuals to compel them to compliance, that the contract was completely annihilated, and Congress was reduced to the necessity of offering some consideration in lieu thereof. What did they offer? Paper of the nominal value of twenty shillings, but of no more real value than two shillings and six-pence.

The original creditor, in consideration of the distress of his country, and from dire necessity, accepted of this; and would, with equal generosity, have accepted of the 2s. 6d. in cash, and have signed an acquittance for his pay, as freely as he signed over that paper for 2s. 6d. in cash, to the speculator. Now, if it be urged by gentlemen that this transaction implies a contract, it may be confessed the papers in question are evidences of such implied contract, but of the real existence whereof there is no proof.

He would also aver, that if we are to be governed by this implied contract, the real value of the paper in question is at once fixed by the market price, then current, at 2s. 6d. in the pound. The residue is the last grand sacrifice which the original creditors, as well citizens as soldiers, made to their beloved country. Thence it is evident there was no original consent of parties obtained; and hence no original contract existed. This, said he, is fair reasoning, it is no fine spun logic; but it is arguing from the truth, and the eternal nature and fitness of things.

But those papers, it has been said, are not

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only evidences of a contract, but since they are payable to A. B. or bearer, the bearer is an original contractor! Where will this argument lead us? A robber on the highway, a private thief, a fraudulent purchaser, without consideration, if this argument be admitted, may all, or severally, become bearers. Are they severally original contractors? Surely no gentleman will pretend to say that they are. Neither is it possible to detect those frauds, if what has been said is true, that many of those certificates were taken out originally in fictitious names. Suppose one of them has got into the hands of the robber, the burglar, or the thief, how will that man, who never existed, appear in court and convict him of the fraud? From these premises I shall infer, that as this was a case without remedy, the bare possession of a certificate is not a sufficient evidence to prove the holder was an original contractor.

At an early stage of this business, the gentlemen in opposition to the amendment, appeared to lay great stress on the want of authority in Congress to intermeddle in such cases; but as we get forward, the gentlemen appear to give up—they have been beaten off that ground, and impolicy and impracticability of the measure is principally urged. Yesterday, however, these same gentlemen abandoned the latter, and resumed the former station with great eagerness.

We are likewise told, that although in the Parliament of Great Britain, which is omnipotent, they can do any thing; yet we, being a Legislative body, whose authority is constitutionally confined to certain objects, cannot make the proposed discrimination.

Let us make some inquiry into this. Is not the whole business before us of such a nature, that, without our interference, it must remain eternally as it is? This, it may be presumed, will be granted on all hands. What follows? That as it is a proper subject of Legislative discretion, the Legislature must, of necessity, and from the nature of the thing, possess all powers necessary to do what is right and just in the premises; and, consequently we have the power of discriminating if justice and right demand it. The argument, therefore, which the gentlemen have adopted on this subject, as well as many others to which they have occasionally resorted, must appear to the committee as perfectly inconsistent and futile.

It may be necessary, however, to advert to one or two other examples of the same complexion.

We are told, that the advocates of the proposed amendment are acting officiously; no complaints having been laid before the House; no petitions; no parties contending before us; therefore, say they, we have nothing to do with it; the question is not legally before the Court, &c. This is, in a similar phrase, "there is no writ sued out, no bill filed, no issue joined between the parties."

In answer to this argument, it is necessary only to observe, that every complaint of the people, by virtue of the representative capacity of

their members, is properly, and to all intents and purposes, before the House.

But we are further told, that no facts have been proved; we have no evidence, therefore we cannot proceed. He granted that no witnesses had appeared to make evidence, no swearing in court, but will it follow from thence, that we are not possessed of the facts? He presumed not. If the facts are within our knowledge, we are in as full possession of them as if they had been sworn to; and for many other facts necessary to the investigation of this business, we can resort to our public records. Moreover, there is little use of evidence, other than to inform and convince the minds of the judges. As to the truth or fallacy of the objection, how that information and conviction happens, it is very indifferent, especially in a Legislative body. In a word, the arguments to be contended with appear to move in so small and contracted a sphere as never to extend beyond the pleadings at the bar of a county court; and, consequently, were very unworthy of the attention of the great American Court of Equity.

He now remarked that, from these observations, it might be supposed he would vote for the proposed amendment; but he said he believed he would not. Not on account of the demerit of the proposition, or the merit of the arguments which had been used against it. There were other considerations which existed that were not only unprovided for in the amendment, but it seemed to him as if they were barred therefrom.

One of these which came immediately within his own knowledge, and which must be likewise within the knowledge of many gentlemen in this House, one of whom had already mentioned it; it is this—our quartermasters, purchasers, contractors, &c., or some of them, have been sent out among our citizens to procure supplies, without a shilling in their pockets. They have bought on trust from individuals; afterwards those individuals have been prevailed upon (without payment being made) to give receipts, as if they had been actually paid, on a pretext that the accounts of the purchases could not be settled, nor money obtained to pay them, without those previous acquittances. Where this business originated he knew not, but he vouched for the facts in a great number of instances to have come within his knowledge. The consequence appears to be, that those purchasers, on producing the receipts, had obtained certificates for the aggregate sum in their own names, as if for supplies by them furnished, and have made no satisfaction to the individuals.

Now, with respect to this species of paper, thus procured by fraud, and issued without consideration given by the persons to whom issued, he could not consent to fund. Nay, he would sooner part with his right hand than consent to fund certificates thus circumstanced, and thereby subject those very individuals thus robbed of their property, to contribute towards paying the



price of that very property into the pockets of their robbers.

Shall it here be said, "the courts are open, and the individuals may there be redressed?" Poor alternative, indeed! Were I to stand up on this floor and hold forth such doctrine as this, "that the courts are open; that the constitution contemplates the United States as a body that may sue and be sued, and points out certain proceedings which shall be had when the United States become a party; and that therefore every holder of a certificate has the recovery of the money in his power, on application to the courts; and should I conclude that Congress has nothing to do with the present business." Pray, what should I merit by such pleadings? I doubt whether I should merit pity; contempt I might be certain of receiving.

Suffer me to ask, if the evil I have mentioned be not too general in its nature to admit of any remedy, but by Legislative interposition? May not many of those contractors be in a state of bankruptcy? May not some of them have travelled to the Spanish Main to govern Colonies? May not some of them have returned to their usual places of abode, at many hundred miles distance from the defrauded individuals, as aforesaid? And can it be supposed, that the widow and the fatherless, the poor and the needy, by them thus defrauded, perhaps of a bullock, or some bushels of wheat, individually, but in the whole, amounting to an enormous sum, can follow them to obtain justice? How are these plunderers to be pursued? And how can any thing be recovered from them in a common Court of Law? Especially when we consider that, to all the difficulties already mentioned, must be added, that the very receipts, under their own hands, would be exhibited as evidence against the injured, honest, original creditor!

Is not this case, so often to be met with as it is, beyond remedy, unless by the interposition of Congress? Now, as this case is not only unprovided for, in the amendment proposed by the worthy gentleman from Virginia, but the door seems to be shut against a future provision; and, considering that the same gentleman, or some other, may bring forward something that may strike at the root of the evil, and produce more effectual justice, I shall, at present, vote against the proposition; but if I am disappointed in my expectation, and that gentleman shall bring his proposition again forward in the House, I shall not suppose myself debarred from voting with him.

Mr. SENEY rose and observed, that it was with reluctance he attempted to express to the Committee, his ideas upon a question which had been so fully and ably discussed. However, as it had been expected that gentlemen would not, in a case of such magnitude, be content with merely a silent vote, he rose to declare the reasons upon which his decision was founded. In doing this, he hoped that he should not use epithets which might be deemed harsh,

or language which would be offensive; that although the sentiments of other members should differ from his, he wished so far to respect those sentiments as to treat them with decency.

He considered the proposition of the gentleman from Virginia (Mr. MADISON) was designed to effect two purposes. The one, a compensation to the original creditors, who, during the late war, in times of distress, had loaned money, furnished supplies, and rendered military services; and who had only received satisfaction therefor in paper of inconsiderable value, forced on them by the public, and depreciated by their acts. This class of citizens, he conceived, had a just and equitable claim for the full difference in value between that paper, when paid, and specie. The other object of the proposition alluded to, was, he said, to compensate those creditors who now held alienated certificates. Each description of those creditors had, in his opinion, claims on the public. The first was founded on an original contract between them and the Government, part of which only had been complied with, and the residue still remained undischarged. The other was grounded on having possession of the paper which contained the promise to pay.

It has been contended that the United States have not ability to pay both. In this case a question arises: What is, upon the whole, most just and expedient? Some gentlemen contend, that it is incumbent on us to make full provision for those who hold the assigned certificates, without any for the original creditors who have alienated them. Others think, that the misfortune of Government, in this respect, should not be felt by either class solely, but be borne by both. That it is more just to adopt a mode of composition, by which those creditors should mutually share in this misfortune, and be mutually benefited by a provision within our power to make; with those his sentiments accorded. He could not be impressed with the justice or reason of a measure calculated to make a total sacrifice of one class of creditors, and full payment to the other class. Such a step could not, in his opinion, be justified in any distinction or precedence which existed in their claims. When it was considered that the original creditors furnished money and supplies, and rendered services essential to the preservation of their country, and at a time when its liberties were invaded, and every thing which can be dear to freemen was in jeopardy and at stake, he could not apprehend that their claims would be deemed inferior to those of their rivals. In his opinion, these circumstances entitled them to superior notice. Believing, however, that the amendment under consideration would, upon the whole, effect more substantial justice than any other practicable scheme that had been proposed to the Committee, or which he had heard of, his assent would, therefore, be given to it.

He then noticed a variety of objections which had, in the course of debate, been urged against

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the amendment he supported. Gentlemen had insisted, that although the principle of it might be right and proper, yet the execution of the scheme was altogether impracticable. They had also contended, that the adoption of such a proposition would be a violation of those rules which, as to contracts, ought to be held sacred, and also of the constitution under which the Government was then acting; that it would be disapproved of, even by the persons for whose benefit the provision was intended.

He observed, that those who admitted the propriety of the measure, as to principle, could not be justified in their opposition; upon the ground of impracticability. That the honorable mover of the amendment had, in the course of yesterday's debate, suggested expedients which would, in his opinion, remove the greater part of the objections which ingenuity had urged in that respect. That some particular cases, perhaps, might exist, for which special provision would be requisite. However, as that gentleman had declared his belief in the practicability of the system, such was his confidence in the sincerity and abilities of the person who made the declaration, that he was not disposed to believe the reverse without giving an opportunity of proof, or until some trial was made. It had been also observed, that the proposed project is violative of the rules which, in contracts, should ever be preserved; but how, he asked, could gentlemen reconcile this objection to the plan which they advocated? Would it not operate with equal force to condemn that, as well as every other, which had been contemplated? The argument, by proving too much, ought, therefore, to have no influence upon the question. It had also been mentioned, that the plan in controversy was a violation of the Constitution, which every member had taken an oath to support. This observation, he observed, might be made *in terrorem*, but could have little weight, if the words of the Constitution, in this respect, were attended to; these are, "all debts contracted, and engagements entered into, before the adoption of the constitution, shall be as valid against the United States under this Constitution as under the Confederation." That the words debts and engagements, here expressed, would comprehend as well the residue still due to the officers, soldiers, and other original creditors, as the claims of the present holders of alienated certificates; and that if the Constitution created any obligation concerning debts, it had equal force with respect to every description of creditors. But he apprehended that the Constitution did not, by the words expressed, place any debts alluded to in a situation different from that in which they were previous to its adoption.

Great stress had been laid upon the practice of other nations. It had been frequently asserted, that the measure proposed was without a precedent in any country. It had been repeatedly recommended to us to imitate the British Parliament, as to measures touching public credit.

We however find a case was cited yesterday, by an honorable member from Virginia (Mr. MADISON) in which they made a provision as to debtors, similar to the one now under consideration. If precedent is, therefore, to influence, we have one from the nation whose public faith has been above all others extolled. But it had been observed by an honorable member from New York (Mr. LAWRENCE) that the precedent then cited was not applicable, because, said the gentleman, the British Parliament and Congress are bodies very different as to power; the former is omnipotent and unlimited as to objects of legislation; the latter is not so, but restricted and confined by the Constitution, which controls their power; that the British Parliament can therefore do many acts consistent with their powers, which Congress cannot. This observation does by no means diminish the force of the precedent; because although Congress possess not power, as to all objects of legislation, so extensive as the British Parliament, yet, as to objects within their power, they are as omnipotent as that Parliament. It will not be denied, that a provision, respecting public credit, is one of those objects; with regard, therefore, to the subject under debate, there can be no difference between the two bodies as to omnipotence.

It had been remarked by another member from New York (Mr. BENSON) that the adoption of the amendment would be improper, because it was unsolicited by those whom it was designed to benefit; and because there was reason to believe it would meet with their disapprobation.

The gentleman had informed us of a resolve of the Cincinnati of this State, disavowing the plan, and cited their proceedings as evidence to prove this disapprobation. In reply to this, he would not then inquire how proper it would be for the committee, in their decision, to be influenced by any act of the Cincinnati, or other society, but he believed, if the history of the proceedings alluded to was fully known, nothing could be inferred from it to effect that gentleman's purpose. That he had, since the publication of their resolve, been informed, that the meeting of the society, at the time it passed, was not a full one; that such a resolve was unexpected, by many, until proposed; and that it passed without debate, and, as it were, *sub silentio*; that he had since been informed, several of the body disapproved of the resolve, and believed, that if a full meeting was had, a different determination would be the result. He had conceived that the worthy members composing that body, had too much experience of their own sufferings, to be opposed to a provision in favor of those creditors for whom the compensation was intended, and could not think that such a provision would be disapproved of by a society of the kind in any of the States.

It had, upon this occasion, been asserted, that public opinion should have little influence on the conduct of Legislatures. But, notwith-



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standing the plausible reasoning he had heard upon that head, he was satisfied a regard was due, and must be paid to the opinions of the people, and to their feelings. Government was formed for their benefit; under the present Constitution, all the powers of it flow from them as the source; they have the means of carrying into execution their will; and, under those circumstances, he could not believe the Legislature ought to be indifferent as to their sentiments.

Gentlemen had founded their opposition to the amendment, principally upon the rigid rules strictly adhered to in the courts of Common Law; rules which had often been the means of stifling justice, to correct the rigor of which Legislatures had often interposed. Such rules could not be used as fetters for the supreme power of Government. The history of nations proves that Legislatures are superior to them; their objects are extensive; and in all extraordinary cases, they will make such provisions as may be requisite to effect general justice and equity. The case under consideration was certainly one of an extraordinary kind. He could not think that those, whose exertions has rescued them and us from despotism and slavery, were ever honestly paid those hard-earned claims they were so justly entitled to; and could not but believe, that as long as those claims existed, so long there would exist a stigma on the justice, humanity, and gratitude of this country.

Mr. GERRY observed, that it was with great concern he should express his sentiments on a subject so important in its consequences; that after mature deliberation he had formed an opinion; but should arguments hereafter convince him that his opinion was incorrect, he should think it consistent not only with honesty, but with honor to give it up.

The amendment proposed by the gentleman from Virginia differed from the proposition before the committee in other points, besides that of discrimination; and he proposed, as an amendment to the amendment, to strike out all that related to this question, that the sense of the committee may be fairly ascertained, "Whether there shall be a discrimination between the original and assigned holders of public securities?"

He stated, that the foundation of the motion for a discrimination, was the heavy losses sustained by our brave and veteran soldiers, in the sale of their public securities. Little or nothing had been urged in favor of meritorious officers, and of citizens who, by the loan of their property, had contributed to the support of the war, and much less of assignees; although he could see no reason why equal justice should not be done to these two classes of original creditors. To form a judgment, then, of the foundation of the motion for a discrimination, let us advert to the history of the army, and we shall find that their first enlistments expired at the end of 1775; that the Commander-in-Chief, not being

able to re-enlist the soldiers, was reduced almost to the necessity of abandoning the extensive lines in the vicinity of Boston; that notwithstanding this, such were the prejudices in favor of short enlistments, and such the dread of a standing army, that Congress were obliged to enlist the second army for one year, and their times of service expired at or about the end of 1776. During that campaign, Congress were so fully convinced of the fatal consequences of such policy, as, at all events, to determine that the next enlistment should be for the war; but they were afterwards constrained to provide the alternative, "or for three years;" and those who enlisted for this term, left the army in 1780. We shall also find that, in 1780, the army was greatly reduced, and the States earnestly called on to recruit their respective regiments; but such were the prospects of gain, from privatereering and other measures—such had been the sufferings of the army, and so weakened was the confidence in public faith, as to require enormous bounties in specie for obtaining recruits; the average of bounty, in many States, was two hundred and fifty dollars, in specie; and in Massachusetts, upwards of two hundred and eighty. Thus, then, if we divide the army into four classes, it will appear, that the soldiers of the first and second classes were discharged and fully paid, in 1775 and 1776; that the soldiers of the third class, who enlisted for the war, between 1777 and 1780, served six, five, or four years, without any other prospect of reward than the stipulations of Congress; and that the fourth class, some who served two and an half years, others two years, and others one, were amply paid by bounties, the least of which amounted to one hundred dollars a year, or eight and one-third dollars a month, in specie, exclusive of the allowance made by Congress. The third and fourth classes were, however, entitled, by their contract, to six and two-thirds of dollars, in specie, per month, or to an equivalent, exclusive of bounties, rations, and clothing; and how has the contract been fulfilled?

He then referred to a memorial of the officers and soldiers of the army, stating their grievances to Congress, in April, 1783; and likewise a resolve of Congress in July, in the same year, for liquidating the accounts of the army, and for issuing certificates which would then produce but two shillings and six-pence in the pound, for the balance due to each officer and soldier. And asked, is this a fulfilment of the contract? Was ever a brave army so paid before? If, then, the contract has not been fulfilled, ought not the party, failing to do this, to indemnify the party who have sustained damages? Justice may be in favor of the fourth class; but justice, generosity, and humanity, plead loudly for the third class, the amount of whose demands will not exceed two millions of dollars.

The question then is, Who ought, in justice, to make good these losses of the soldiery? Some

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gentlemen say, those who purchased their certificates. On what principle? From their having received them without an equivalent. Let us attend to the nature of the contract of the soldiers with the assignees; for it differs widely from that with Congress. Some gentlemen consider it in the nature of a specialty or bond, and have carried us to Courts of Law, to prove, that whatever has been paid short of the nominal value of the certificates, is now due from the assignees. This mode of reasoning is inadmissible, because particular decisions of law courts cannot apply to great national questions; and the Legislature is authorized to regulate such courts, and is not to be regulated by them. But if admissible, is the transfer of a soldier's certificate in the nature of an assigned specialty? For, if not, arguments on this principle will fall to the ground, and we shall be again freed from Courts of Law.

He undertook to show what a bond was, according to the law definition of it, and that a certificate differed from it; as in the latter, there was no condition of performance, or seal, and in the transfer no endorsement is necessary. The title of an assignee to a certificate was by a sale, which is, "a transmutation of property from one man to another, in consideration of some value or recompense."

He further observed, that the public securities of the United States, are a species of stock and property similar to merchandise; they are sold in open market, and at the market price, which is always an equivalent; for the market price of stock was regulated by the public opinion, and depended, in a great measure, on the circumstances of the nation, and on events. It had always been subject to great variations, and ever would be, whilst communities are subject to calamities; and this is a quality inseparable from that species of property. To illustrate this argument, he stated two cases, the latter of which was as follows: Suppose that the public debt was funded, and the stock at par; that a combination of European Powers had been secretly formed to subdue us; that a fleet, with a formidable army, had suddenly appeared on our coast, and that the enemy had landed before arrangements could be made to resist them, and had overrun half the country, would not stock, under such circumstances, be reduced in value? If a stockholder should insure his property in the funds, would not the policy be as valid against such an enemy as any other policy in time of war?

Let us suppose, that this calamity had raised the premiums to eighty per cent. and the stockholder had agreed to allow it, would not the insurer be justly entitled to it for taking the risk? But if the stockholder, instead of giving the premium, had made sale of his property at eighty per cent. discount, being one-fifth of its former value, would not that fifth be an equivalent, and the sale valid? Where is the difference, except merely the mode of negotiating, between insuring his property at eighty per cent.

premium, and selling it at eighty per cent. discount? Or, where is the injustice of the measure in either case? But should the enemy be expelled, and stock again at par, can the original stockholder, in justice, demand any part of the eighty per cent. premium, or of the eighty per cent. discount, on a pretence that he has not received an equivalent? If the whole had been lost, would he have returned the twenty per cent. which he received of the insurer or purchaser? Surely not. And it must be evident, that although the nominal was the real value of stock before the appearance and after the repulse of the enemy, yet that the value was reduced by the danger of conquest, and that the market price, at that period, was an equivalent.

Several cases have been cited as precedents for discriminating; that which relates to the reduction of the Canada bills, mentioned by the gentleman from Virginia (Mr. MADISON) was, by his own acknowledgment, not applicable. The case referred to in the act of Queen Anne, cited by the gentleman, was not analogous; for, independent of other considerations, the debt contracted by the Queen, for the support of her household, was unliquidated; and by a vote of the House of Commons, had been disallowed. Had the debt been liquidated, and certificates of it issued, as in the case of our soldiers, there would have been no interference of Parliament in the subsequent transfer of such certificates, as their whole conduct evinces.

Gentlemen, in favor of discrimination, have also mentioned the South Sea and Mississippi schemes. The gentleman from New Jersey (Mr. BODINOT) had clearly shown that the conduct of Parliament in the South Sea scheme was directly against discrimination; for although they imprisoned the directors and others, and confiscated their property, yet they never interposed in the transfers of stock by other proprietors, although it was bought and sold from par to thirteen or fourteen hundred per cent.

The history of the Mississippi scheme, I propose not to state fully; but to mention a few particulars. In the year 1717, the Government of France were deeply indebted, and had issued State bills to the amount of several hundred millions of livres; they were sold at sixty or seventy per cent. discount, and the Regent of France, desirous of appreciating them, established a Commercial Company, with the exclusive privilege of trading to the Mississippi, to consist of such as would subscribe sixty millions, payable in State bills at par; at first there were few disposed to be concerned, but at length the sum was subscribed; the stock, by another arrêt, was increased to one hundred millions, the farm of tobacco, amounting to four millions a year, was then granted to the Company, as a fund to pay the interest, and, under the direction of Mr. Law, they made greater profits from it. Stocks were thus enhanced from seventy per cent. below, to twenty per cent. above par. The India and African Com-

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panies were afterwards incorporated with the Mississippi, whose capital was further extended, by which means stocks rose to five or six hundred, and, in the progress of this matter, to one thousand per cent. At this period, a subscription was opened for fifty millions of livres, at ten for one, payable at ten different payments; and so infatuated was the nation, that the subscription, in a few days, amounted to seventy-five millions, being half as much more as was wanted; and the day after the subscription closed, those who had given one thousand sold for two thousand per cent. When the bubble burst, as it is expressed, no attempt was made by Government to interfere in the transfers made by individuals, but all such transfers were valid.

From all which, I think it will appear that stocks are, in their natures, a species of property subject to great variations from calamities and other causes; that the market price will be regulated by public opinion, and that it is always considered as an equivalent. A transfer of property in the funds, at market price, differs widely from the gambling of stock-jobbers, a pernicious species of traffic, of the nature of wagers or bets; and those concerned therein have no property in the funds, and generally are subject to punishment.

Should inquiry be made, what calamity have we been under to reduce so low the price of our stocks? I answer, the calamity of a defective National Government, the effects of which were severely felt. In 1780, Congress called on the States to sink their respective proportions of the old paper money: part complied, and part did not. The consequence was, that, in 1781, the bubble burst, and almost ruined the public credit. Early in 1783, the army, from want of pay, were nearly mutinying, and part of them soon after did mutiny, and drove Congress from Philadelphia. Again, Congress, by the Confederation, were authorized to tax the States on a valuation of their respective property; but the States were unable to produce the documents required for forming that valuation, and refused to adopt a new rule proposed by Congress, who could therefore levy no tax. To evince an honest disposition, and to support public credit as far as possible, Congress proposed the plan of impost, and supplementary funds. This was accepted by some States, and violently opposed in others, which produced apprehension that a considerable part of the Union wished to apply the sponge to the public debt. These circumstances, and the consequent commotions, so weakened Government, that we had no credit, public or private, at home or abroad. By these and other calamities, and the load of our debt, were the stocks reduced, the public opinion fixed their rates, and taking the risk, they were worth no more; but circumstances are now altered, and they are increased in value.

Gentlemen, to support discrimination, have charged assignees with fraud. Are the assignees chargeable for the defects of the Confederation?

Or for a noncompliance of some of the States with the requisitions for sinking the old bills of credit? Or for the mutinying of part of the army? Or for defeating the plan of the impost and supplementary funds? Or for the consequent commotions? Or did the assignees deceive the original holders? Did they act the part of sharpers and swindlers? If so, bring the culprits to justice; your country demands it. But if their only crime is good fortune in their negotiations, if they have purchased the securities in open market, and honestly paid for them, treat them as good citizens, acquit them of fraud, and do them justice. Being among those original holders who have transferred part of their certificates, and not replaced them, I can feel for myself as well as for our brave soldiers, but am against discrimination. So much for the justice of the measure. Let us now consider the policy of it.

It is admitted on all sides, that the preservation of public faith is indispensable to the welfare of the Union, and in what does it consist? Public faith, as I conceive, consists in a punctual fulfilment of engagements and contracts on the part of Government. To preserve public faith, therefore, it is necessary that a nation should have adequate resources, the Government adequate powers, and those who administer it integrity and abilities. That our resources are equal to the payment of our debts, had not been denied; that Congress have not sufficient power, I presume none will assert.

The preservation then, of public faith, will principally depend on their integrity and abilities. Their abilities may not be questioned, but their conduct, in this case, will be critically examined, and tried by the standard of morality. If it will stand the test, they will have the confidence of the people; but if not, vain will be every attempt to establish public credit. For this is nothing but the confidence of the people in public faith, and the people will think that, whatever resources they may have, or power to change the form of Government, the defective principles of the rulers can only be corrected by the sovereign of the universe. Is it good policy, then, to rest the public faith on an act of discrimination, which is intended to saddle one class of citizens with a tax to repair the loss which another class has sustained by a breach of contract on the part of the public? This will wear the appearance of committing one fraud to cure another. The right of speculators to purchase certificates at the market price is undoubted, and their conduct in making the purchases and payments is unexceptionable; but if there was a doubt of this in regard to some, would it be a sufficient ground for a discrimination?

Again: the whole expense of the war is supposed to be about 176,000,000 dollars, of which there is now due 80,000,000 dollars, exclusive of 2,000,000 dollars supposed to be due to the third class of soldiers. Is it good policy, by funding the debt, to do every thing necessary

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for the support of public credit, except making payment of 2,000,000 dollars, and then, at the risk of public credit, by an act of discrimination, to save the sum last mentioned, which is but one eighty-eighth part of the expense of the war?

But how are we to obtain loans in future? Some gentlemen conceive the establishment of our funds will always precede the loans. Can any gentleman insure this? I conceive not. There is not a nation in Europe so happily circumstanced; and if an unfunded debt should again be requisite, who will lend when your unfunded securities cannot be transferred, because you have established a precedent for discrimination? Is it not evident, then, the proposition is pregnant with ruinous consequences?

If inquiry be made, what is to be done with the suffering soldiers? I answer, pay them, if your funds are sufficient; if not, assure them you will do it as soon as funds can be provided. It has been suggested that they have relinquished to the public seven-eighths of their property; if they have, I think it unjust to accept it. But is this the fact? Would they not have received the whole of their liquidated demands in specie, had it been offered? There can be no reason to doubt of this. Some gentlemen say, they wish to compound the matter between the soldiers and their assignees, because we cannot pay both. Would not a composition, on such principles, be a declaration of national bankruptcy? And shall the United States, with three million inhabitants, with the most flattering prospects arising from the increase of commerce, husbandry, and manufactures; with such an extensive territory, and in the vigor of their youth, declare bankruptcy for a debt, including the Federal, State, and Foreign loans, not exceeding 80,000,000 dollars, or £18,000,000 sterling; when Great Britain, with only eight millions of inhabitants, can fund a debt of £240,000,000 sterling? I hope not; and consenting to such a measure, I would never own myself an American.

Some gentlemen have referred us to the act of Congress for scaling the Continental currency, to prove both the policy and justice of a discrimination. Let us examine the matter. Congress, from the commencement of the war to February 1781, were but a meeting of State Commissioners, without any form of Government or powers, except such as were contained in their discordant commissions. From April, 1775, to the end of 1779, they supported the war by artificial credit. At that period they had issued 200,000,000 of paper dollars, and borrowed 35,000,000 of dollars on loan office certificates, which were afterwards reduced to 11,000,000 of dollars; they had borrowed all they could in Europe, and were reduced to the necessity of stopping emissions, and for depending on the States for monthly supplies of 15,000,000 of depreciated dollars, on domestic loans. In March, 1780, the proposed taxes and loans failed; emissions on the former plan were at an end, and Congress were reduced to the necessity of scal-

ing the old debt, to sink it, and of beginning anew, or of giving up the cause. Sad alternative! to violate the public faith or be enslaved! They chose the former, but aimed to do all possible justice. Indeed they had one reason for scaling bills of credit, which applies not to the liquidated debt. The public did not receive the value of the former, but did of the latter, according to the nominal sums; and had each emission been scaled according to its value when issued, the public would probably have been better satisfied, but having reduced the old bills from forty to one, did Congress attempt to re-scale them when they sunk a thousand for one? Or did they provide that original holders, who passed Continental money for less than they received it, should be reimbursed by the assignees? If not, the precedent is against discrimination. Indeed, if the precedent favored such a measure, it is admitted by the gentleman who produced it to have been a violation of faith, and is therefore a bad precedent, which can never sanctify a bad act, or alter the eternal rules of justice. Because, then, Congress, in a distressing war, without a form of Government, and at the end of their resources, violated their faith, can we, on a principle of policy, in a profound peace, with a strong Government and sufficient resources, be justified in taking a measure which promises so little advantage, and which may involve such dangerous consequences? If this measure is adopted, what is to be done with those who have given Congress a dollar in public securities for an acre of land, such as you will now sell for one-fifth of a dollar in the same securities? Ought not Congress, on their own principle, as the assignee of the purchaser, to reimburse four-fifths of this property? But what security will a speculator in land have, who may purchase of an original proprietor, that when the value of the land is enhanced, a similar discrimination will not be made? And who, thus circumstanced, will purchase your lands?

With respect to the practicability of thus discriminating, gentlemen in favor of the measure have not removed the objections of those who are against it, and have only said a provision must be made in certain cases, without explaining. It has been said, if the latter will unite with the former, the difficulties, although great, may be removed; but no effort can make a measure practicable which is impracticable. Such attempts tend to weaken Government, and to bring the laws into contempt, as we have seen in regulating acts.

Public opinion has been mentioned as an argument in favor of the plan. I have the highest respect for public opinion, but have not argued on this ground: First, because, in the present case, we know not the public opinion; and, secondly, because conjecture is endless and useless. Indeed, in great national concerns, the public will generally form their opinions by the proceedings of the Legislature, because the latter have a more general view of matters, and

the best means for forming a judgment. If, on the whole, then, the justice, policy, or practicability of the measure was only in question, ought we to accept it? But when we are doubtful of all, ought we not to reject the proposition?

Mr. BLAND agreed in opinion with the gentleman who had just taken his seat. He was apprehensive the idea of discrimination had already worked mischief. He then explained the fallacy and injustice of such a measure, which he thought had been clearly proved to the House, and assigned, among other reasons, its impracticability, which, if there were ninety-nine reasons for it, that in itself was sufficient to make him vote against the amendment.

Holders will come to the Treasury and demand payment; there their claims must lie until proofs can be obtained. The same inconvenience will arise respecting the interest. Suppose a creditor, if the amendment should pass, was obliged to look for proofs, where must he seek them—in the grave? beyond the sea? in Asia? Suppose a creditor was unwilling to comply with this law, you must then pass another law to compel him to deposit his security.

The question had not been answered to his satisfaction, and he should not have risen, were it not on account of the point of discrimination, to which he had always entertained an aversion, as involving the loss of the most valuable and inestimable jewel, public credit.

If we commit this breach of public faith, it would be little better than the tender-laws of Rhode Island. No doubt some of the speculators had deserved punishment, but others are innocent. He observed that he was no speculator, but he held original securities, therefore the decision could not affect him. There is hardly a State in the Union that wishes for any discrimination. If the State accounts are to be all reckoned, what a day of reckoning would that be, to travel back and issue fresh notes; it would be two final settlements. In short, there appeared so much intricacy and difficulty, that it was utterly impossible and impracticable in his opinion.

Mr. LAWRENCE said, it appeared to him that the gentleman from Virginia (Mr. MADISON) had taken much pains with the subject, from the accurate manner in which he treated it. On this occasion he had been a listener often, a speaker seldom, and, of consequence, had weighed it with peculiar attention; but, nevertheless, it appeared to him that the gentleman had erred in principle. This had been sufficiently demonstrated by those who had gone before him; he therefore would not notice any thing on that point. But, as the honorable gentleman had put the propriety of the business on precedent, he would notice only those precedents; when the cause is committed to precedent for support, great care should be used to adduce such only as are applicable.

He confessed, after the Constitution under which they deliberated had gone through such a full investigation as it had done in the last

session, as well as at the time of its formation and ratification, he could never have supposed that gentlemen would apply precedents from an omnipotent Parliament to a limited Government, as a rule of action. If there was an analogy in the two Governments, he had not discovered it; but if he had discovered it at the proper time, he should have been as strenuous in opposing the Constitution as he had been in advocating that measure. He could not, under his idea of that instrument, refuse to admit, as a legislator, the rigid maxims of law and justice, as it regarded the property in dispute, which the gentleman had spoken so lightly of. After these observations, he would admit so much of the precedent as applied, but no more. The depreciation of pay allowed the late army is not a case in point. Here there are three persons, one to be benefited at the expense of another; there the soldier had justice done to him at the expense of the Government; but before the depreciation was allowed, Congress had determined that their paper had fallen in value as forty for one; but before the case can be parallel, Congress must determine that the certificates are depreciated forty for one; but this would be less unjust, if all the public creditors were equally affected; by the gradual reduction of the nominal value, the depreciation of the Continental money operated equally. But Congress were governed, on that memorable occasion, by another principle than is now contended for; it was policy which dictated the allowance to the army of their depreciation, not general and equal justice; if general justice had been attended to, those who left the army, as well as those who continued in service, ought to have had the depreciation of their pay allowed them; but they have never yet been allowed the depreciation. This demonstrates the principle which governed at that time to be policy; they feared without this measure was put in execution, that the army would disband, and they would never be able to collect or keep another together. The Government having, at its own expense, on that occasion, done partial justice, is a precedent for doing what? For doing partial justice to one set of men at the expense of another set; speaking the authoritative language of despotism, and trampling the sacred rights of property under foot.

The next precedent adduced is that of the Canada bills. If my memory serve me, those bills were paid by the French army to individuals in Canada; afterwards they were purchased by the English merchants; but were they, in consequence, a claim upon the English Government? No. They were a claim upon the French Government. The individuals never could contemplate that it would be proper to involve the nation in a war for compelling the payment of those bills; therefore, it was their wish and agreement at the treaty of peace, to accept of what they could get; but this was no violent interference on the part of Government to take

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from one class of its subjects, in order to give to another class, or put into its own coffers.

With respect to the act of 1713, in the reign of Queen Anne, it is to be observed, that it affects the private or unauthorized debts of the Crown. In the reign of King Charles II. special provision was declared for the support of the Crown; if this specific revenue was exceeded, as was the case in the time of Anne, due bills were given for the debts contracted, due bills not issued on the authority of Parliament; and which sold, perhaps, from this circumstance, at a very great discount. It was supposed that the nation was under no necessity to discharge them, because with them there was no contract; but is it pretended in the present case that we are at liberty to refuse the payment of our certificates? Is there no contract existing between the Government and individuals? So far as this act is in point, it proves that the British Parliament interfered in altering private contracts, not public; the contracts between individuals, not between the public and individuals. The interference of the same Parliament, in the contracts between the South Sea Company and individuals, proves equally as much; but neither of them proves that Great Britain undertook to do what is now proposed for us to attempt; but if they did, I hope an unjust or questionable measure is not to be adopted merely because it was carried into execution in a foreign nation.

The honorable gentleman, after having adduced these cases, asks if they affected the public credit of that nation? I answer no; and the reason is evident: they were not attempts to violate the public engagements, or to injure the creditors of the nation.

It may possibly be contended, that there is no contract on the part of Government to pay these debts; but that idea will be dissipated the moment we read the words of the Constitution, "all debts contracted and engagements entered into before the adoption of this Constitution, shall be as valid under this Constitution as under this confederation;" the words "as valid" make the Constitution as clear as words can make it; but one of the great causes which brought about the last Revolution was a desire which pervaded the community of securing the performance of contracts; the too frequent interference of Government in this respect had been felt and acknowledged by all. Can we then suppose that the public opinion is to be gratified by a measure founded on principles which are rejected and despised? No; if we mean to give satisfaction, it must be by acting on the principles of national obligation, justice, and good faith; I believe we shall violate the whole of these if we adopt the proposition.

I do not put my opposition upon the impracticability, but on the right: I think it treason against the Constitution to break through the restraints and obligations it imposes; we cannot on any consideration violate our engagements. I suspect I was misunderstood in one observ-

ation; I will therefore repeat it, in order that it may be corrected. I did not say that the State of New York compelled the British merchants to receive their debts, due them from the citizens of this State, in certificates; but that, by the laws of the State, the individuals who remained within the lines were to receive of the individuals without the lines certificates at par; and that consequently such as remained in the hands of those to whom payments of this kind were made, were entitled, on every principle of justice, to the total of their nominal amount. I shall make but one other observation.

It has been frequently said, during the course of debate, that the adoption of the proposition for a composition between the two classes of public creditors will be no more a violation of the Constitution than the adoption of the principles of the report; that a reduction of the principal is nothing worse than a reduction of the interest. But here is a material difference in the proposed measure; the Government, by the exercise of a despotic power, tears away the property of the individual; while, in the other case, the whole property remains, and nothing but a modification of its form takes place; nor this without the consent of the creditor. Whatever objections may be taken against this part of the report, it will no doubt be fully considered when the alterations come under consideration, and I trust fully and satisfactorily answered.

MR. AMES.—Placing the proposition on the ground of precedent appears to be an abandonment of the principle of right: and the only principle upon which it can be contended will be that of expediency; yet nothing can have been more conclusively shown than has been the inexpediency of the proposed measure. If it is contended that the violation of rights by other Governments authorize us to pursue similar measures, and the application of precedents shows that this is the object, gentlemen need not to have travelled across the Atlantic in search of an example. They might have found instances of violated rights nearer home, they need not have gone further than particular States on these shores, and they would have discovered a warrant for any infraction of individual right. If then the business rests on the precedents which have been adduced, it will be proper to examine them. When the Parliament of England interfered in the South Sea scheme, it was not with a view of destroying rights, but in favor of them, and for their protection. The paper money of the late Congress, if I understand the transaction, is not at all in point. The Government paid the soldier in depreciated paper, and afterwards allowed and paid him the deficiency; nor did the person to whom that paper was paid away, ever suppose he had a claim to the after grants of the Government. The case of the Canada bills resolves itself into a transaction between nation and nation, therefore does not apply.

The case of the due bills, in the reign of



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Queen Anne, I can hardly conceive applicable to the present time; but, as was observed by the gentleman who preceded me, these *duc bills* were issued for debts due on the civil list; not by the sanction of Government, nor were they made transferable by an express act of the Legislature. The measure too was carried at the close of the session of Parliament with expedition, and probably without debate; but it is a rule that a measure agreed upon without debate, shall not be drawn into precedent; hence, if the case was in point, which is strongly denied, it ought not to serve as a precedent to guide our decision.

Gentlemen have told us that it never was contemplated either by the purchaser or seller that the right to the real sum mentioned in the certificate was obtained and conveyed; but how does this doctrine comport with the many and solemn declarations of Congress finally to pay with honor and punctuality the utmost farthing? If this be popular opinion, let popular opinion choose its own instruments to effect it; for my part, I will never have an agency in effecting business which my principles—principles acquired by education and practice, and which, I believe, comport with those of my constituents—ever are averse to.

It is not on account of its impracticability that I oppose the scheme; it is because I conceive it to be unjust and dishonorable. I will only add, that the observations I made on this point, when I was up before, were not intended to convey any personal reflections; no man can respect more the honorable mover than I do; it is the measure, and not the man, that I oppose. I am well convinced, from the experience of that gentleman's candor, and his reputed integrity, that he is actuated by the purest motives, though I think him to be engaged in a bad cause.

Mr. MADISON hoped the committee did not conceive, with the two gentlemen that had replied to him, that he meant by adducing precedents to abandon the ground of right. The committee will recollect that the gentlemen in opposition were repeatedly calling for precedents, and defied us to produce them, especially from Great Britain, which nation was held up to us as a model. They told us, that such an interference on the part of the Government of England would have annihilated that credit for which she is so respectable. Under these circumstances, the committee will think there was a necessity imposed on us to adduce precedent; and not that we did it to rest our argument on it alone, but as a collateral support, to show we had been challenged.

The committee rose, and the House adjourned.

TUESDAY, February 19.

A message from the Senate informed the House, that the Senate have passed the bill providing for the enumeration of the inhabitants of the United States, with several amendments,

to which they desire the concurrence of the House.

#### PUBLIC CREDIT.

The House again went into a committee on the report of the Secretary of the Treasury, Mr. BALDWIN in the chair.

Mr. MADISON's proposition still under consideration.

Mr. LIVERMORE said, he was against any discrimination between the soldier and other public creditor who held a public security, made payable to bearer, and consequently transferable, with intent that they might be sold, if convenience or necessity should require it. This had been understood by all parties, as well in America as in foreign countries, and they had been sold accordingly. The advocates for discrimination have not denied this; they have only alleged that the low rate at which the poor soldier or other public creditor had sold his securities was a sufficient reason for Congress to interfere and set aside the sale. In opposition to this, he observed, that persons had a right to buy and sell at such prices as they could mutually agree upon, provided there was no fraud.

A diamond, a horse, or a lot of ground might be sold too cheap or too dear, and so might any other property; but Government could not interfere without destroying the general system of law and justice. Esau had sold his birth-right for a mess of pottage, and heaven and earth had confirmed the sale. The distresses of the army, both officers and soldiers, at the time they received and sold their securities, had been painted in too strong colors. They were not so emaciated by sickness and famine as had been represented. They were crowned with victory, and received with applause by their fellow-citizens; and although they had been paid in paper, their loss had been made up by large bounties and in other emoluments; so that, in point of property, they were equal to their fellow-citizens, who had borne the burthen of taxes under which many are laboring to this day. Let them be called brave soldiers, patriotic soldiers, but not poor soldiers. They ought to be governed by the same system of justice that governs others; but their contracts ought not to be set aside out of partiality to them. The case quoted from the statute of Queen Anne is not applicable to this case, inasmuch as Government had not originally made the debentures therein mentioned transferable. Neither did the case of the Canada bills apply; for, as he understood, those bills were paid to British merchants and to others who had purchased them.

He concluded by saying, that he would vote against the amendment, because no sufficient reason had been assigned that could operate on his mind against the general system of right.

Mr. BURKE said, that on Friday last he had laid before the House a motion for making a discrimination between original holders and

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assignees of public securities, and for establishing a scale of depreciation for those securities. This motion he afterwards thought proper to withdraw, as, on further consideration, he deemed it altogether impracticable, and because he was not convinced that such a measure was honest and consistent with public faith. He did not therefore think himself at liberty to give it his support.

As to the question before the committee, he could consider it in no other view than as a question, whether we shall commit a breach of public faith with the domestic creditors of the United States, and violate those solemn promises so often repeated in appeals and proclamations to the people by the late Government, and a promise or engagement which has been reiterated by the new Constitution? In his opinion, it required no profound skill in politics or finance to answer this question: it is only consulting the dictates of common faith and common honesty, which command nations as well as individuals to fulfil their engagements.

The United States have repeatedly pledged themselves in terms as plain as language can express, to pay to the bearers a specific sum; and to commit a violation of this promise appeared to him both unjust and impolitic. If the United States are able to perform it, they ought to do so. He believed and hoped that they had the ability; and even in the case of inability, he was of opinion, should bankruptcy itself ensue from the honorable attempt to do justice, this would be preferable to a stain cast upon these States at the commencement of their political career by a cool and deliberate act of public injustice to their creditors. America has established in the world a high military character. Let her but fulfil her engagements, and she will also establish a national character of honor and fair dealing. This will be to her as a real and substantial treasure, which she will be able to transmit, like a fair inheritance, to her children. Should we, on the other hand, pollute her by suffering her to commit a breach of honor, it will be such a public calamity as no money can compensate.

He wished to offer a few observations in answer to those gentlemen who were so urgent in favor of the motion. They had advanced that the officers and soldiers have not been fully paid. The gentleman from Virginia (Mr. MADISON) has said that without the discrimination which he offers, we shall be raising monuments of gratitude, not to our officers and soldiers who fought for us, but to those who speculated on our securities. On this, he would remark, that it is to be lamented, when our army was disbanded, the derangement of our affairs put it out of our power to pay them in specie. The States, however, did every thing in their power to provide for their soldiers. The State of South Carolina gave them bounties in lands, and the warrants and grants for these lands were passed through different offices without the usual fees. North Carolina,

Virginia, and other States gave similar bounties, he believed, without mentioning the lands appropriated for them by the United States. He would not say that the soldiers have been rewarded; for what reward can be adequate to their great services? But he insisted that the people of America had not been unmindful of those services. If we for a moment consider the conduct of the people towards one part of the army, (the officers,) we shall find that America has signally displayed her gratitude towards them, from the commander-in-chief down to the ensign. The illustrious leader of our armies, retiring from the field to private life, she again raised to the elevated station of a sovereign Prince! Through what motives? From gratitude for his splendid services. View the high departments of the General Government; look into the several offices; enter the several custom-houses from the northern to the southern extremity of the continent; there we shall find conspicuous instances of gratitude.

Let us now see how the people regard the officers of the army in the different States. In South Carolina, no other class of citizens stand any chance in competition with officers; they are promoted to the stations of Governor, Lieutenant-Governor, and Privy Councillors; they are to be found presiding in the tribunals of Justice, in the Legislatures, and on the floor of Congress; and the gratitude of the people follows them in the private walks and ordinary occupations of life. They are justly held in love and veneration; and if the future historian of America records the truth, and nothing but the truth, he must raise lasting monuments, both of the illustrious services of the officers of the army, and of the gratitude and love of the people for those services. This he mentioned in answer, or rather in defence of the people, and to clear them from the charge of ingratitude.

It is urged in favor of discrimination that a few speculators will make princely fortunes. This, he said, was a circumstance which he sincerely regretted; as he did likewise regret the speculations now carrying on from this city and other places, in the State of South Carolina—the sending pilot-boats secretly from New York to Charleston, while the people there were asleep, as it were, and totally unacquainted with the councils or views of the administration, with information on the one side only; this he thought a hard case. But the speculators, availing themselves of this and a variety of other advantages, could not justify him, in his own mind, in giving a vote that would give a stab to the good faith and credit of a nation in whose councils he had the honor of a suffrage.

He foresaw, however, a still greater misfortune in this business, than that of a few speculators aggrandizing themselves by our funding system: it is, that our public securities will go into the hands of foreigners. The present system, offered by the Secretary, is actually mortgaging these States to foreign speculators, for the amount of the debt; for the holders will sell,



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as they have already sold, immense sums to foreigners to raise ready money. Few of our citizens will become purchasers, as ready money will yield far greater emolument, employed in commerce or agriculture, than when lodged in the funds. This is a calamity which he lamented from his soul; but, upon a most serious consideration upon the subject, he was not clear but that a forfeiture of public faith, a loss of public credit, would be for America a far greater calamity. He entertained strong apprehensions; that parting with the fair inheritance of public faith and public honor, under any pretext, would be acting the part of him who sold his inheritance for a mess of pottage. Viewing the subject in this light, he could not, he dare not vote in favor of the motion.

He also mentioned another ground whereon he opposed it: The scheme of a discrimination appeared totally impracticable. Commissioners must be appointed, not only in different States, but in different places of the same State. If Commissioners are appointed, for instance, in Charleston, the citizens must attend from the remotest parts of the State, and be worried in travelling backwards and forwards to seek for witnesses, many of whom may be dead, or removed into other countries—not to mention the length of time and enormous expense which so complicated a business must occasion. He concluded, by declaring it to be his opinion, that the proposition, if agreed to, would throw things into confusion and perplexity, which he could not see the extent of: he should, therefore, oppose it.

**Mr. MADISON.**—If paper, or the honor of statutes or medals, can discharge the debts of justice, payable in gold and silver, we cannot only exonerate ourselves from those due to the original holders, but from those of the assignees; so far as paper goes the latter have received the compensation. If honor can discharge the debt, they have received civil honors; look round to the officers of every Government in the Union, and you find them sharing equal honors with those bestowed on the original creditors. But, sir, the debt due in gold and silver is not payable either in honor, appointments, or in paper.

Gentlemen say it will work injustice; but are we not as much bound to repair the injustice done by the United States? Yet I do not believe the assertion has been established by any thing that has been urged in its support. The gentleman from Maryland, [Mr. STONE] acknowledges that there is a moral obligation to compensate the original holders; how will they get what he admits is their due? He is willing to make an effort by applying the resources of the country to that purpose; but if we are to judge by the sentiments of other gentlemen who have spoken on this occasion, we have little to expect from that quarter. Suppose the debt had depreciated to a mere trifle, and suppose the sale of the Western Territory had extinguished the certificates, let me

ask, whether, if the United States had thus exonerated themselves from the obligation to the assignee, whether the claim of the original holder would not still remain in its full force in a moral view? But believing the point of justice to be exhausted, I will just add one remark upon the practicability. The transferred certificates, generally, will show the names of the original holders, and here there is no difficulty. With respect to those granted to the heads of either of the five great departments, the books of the Treasurer of Loans, as well as the accounts of those departments now in the Treasury, will designate with a great degree of accuracy, and this may be followed up by the usual mode of obtaining evidence; and I believe, every security may be provided against fraud in this case that was provided in the case of the Commissioners who were sent into the respective States for ascertaining and liquidating the claims of individuals. That there will be some difficulty I admit, but it is enough for me that it is not insuperable; and I trust, with the assistance which the cause of equity and justice will ever obtain from the members of the National Legislature, they will easily be surmounted.

**Mr. WHITE** wished to ascertain a fact which had been mentioned. He did not mean to infer that gentlemen had related a fact they did not believe; but supposed they might have been misinformed. He asked, whether foreigners had been induced to purchase in our funds by assurances from the ministers of the United States, residing at Foreign Courts, that no variation would be made in the domestic debt.

**Mr. BLAND** asked his colleague, (Mr. MADISON,) how long he supposed the settlement which he contemplated would take in its completion? For his part he supposed two or three generations might pass away before that object could be accomplished, considering the dispersed situation of the claimants through America, Europe, Asia, and Africa.

**Mr. MADISON** said, the claims of individuals were presented and liquidated by the Commissioners throughout the United States in nine months; that was the period fixed for that purpose by Congress; he would not say but it was too short, yet he thought this experiment fairly inferred that the ascertainment he contended for could be effected in a short time.

**Mr. BOUDINOT** had seen an authentic letter, in which the writer mentioned that the opinion of Mr. JEFFERSON was asked, and obtained. He also had reason to believe the sentiments of the President of the late Congress was given to the same effect.

The committee now rose, and the House adjourned.

MONDAY, FEBRUARY 22.

The House proceeded to consider the amendments of the Senate to the bill providing for the enumeration of the inhabitants of the United

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States, and agreeing to a part and disagreeing to other parts; a message was sent to the Senate informing them thereof.

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The House then resolved itself into a Committee on the Report of the Secretary of the Treasury, Mr. BALDWIN in the chair.

Mr. MADISON's proposition still under consideration.

Mr. PAGE.—As the worthy and eloquent member who replied to me did not answer the questions I put to the committee, I suppose he either did not hear them, did not understand me, or could not answer them. I hope, before the committee decide, they will attempt at least to resolve them. I asked, where is the injustice of the States complying with its engagements made to the first holders of certificates, as far as the case admits? Where is the justice of doing more for the assignee than he or his assignor expected could or would be done? Where is the breach of faith in Government, if it paid its whole debt with justice blended with mercy? Where is the interference in contracts, when the proposition is to comply sacredly, as far as the case will admit, with the contracts between a State and its creditors? I asked, is not the assignment of certificates confirmed by the motion? Does it not give to the assignee the very thing stipulated to be given, that is, whatever sum Government shall be pleased to pay for the certificates, for that was the condition of the assignment? And is not the sum now proposed more than either the first or last holder, till within these few days, supposed would be paid him? I asked also, ought not an honest assignee to be pleased that Government intends to do that justice to his assignor which he ought to do himself, were the whole payment made to him? I asked, of what is the assignee deprived but of his late sanguine expectation? I asked whether the proposition before us does not rather establish confidence in Government than the contrary? For, sir, to make use of the comparison which has been often made here between the State and an obligor on a bond, what could give more credit to any man's bonds than to find that, though they had depreciated to half a crown in the pound, he paid the whole twenty shillings; ten shillings to the assignee, who had given but two shillings and sixpence, and ten to the obligee who had sold at so great a loss?

It is true Congress may, consistently with the rules of common law courts, pay the bearer and take no notice of the creditors; but were a Court of Equity instituted to decide on the case of certain speculators, how would they decide? Government, in the most solemn manner, pledged itself to make compensation to the soldiers, have they done it? Instead of doing this, certain persons, who took advantage of their ignorance and their poverty, bought up the evidence of their debt at one-eighth of their nominal value; and in some States these very men had drawn what constituted the principal of

the purchase with six per cent. interest in three years.

In what does the case differ between the depreciated paper and the certificates? Paper money was redeemed at forty for one, as well to the last as the first holder; the same principle would lead to give the last holder of the certificate the depreciated value at which he bought it. But we propose to work no injustice, we give the first holder, if he is the holder still, the full value stipulated. It would not be injustice, to consider the assignee, as having paid what he advanced, in consequence of his confidence in Government, on account of that Government; and that the Government ought to repay him what he so advanced; having repaid that sum, the balance ought to go to the credit of the assignee. I am willing, on this consideration, to call the speculator the friend and supporter of the Government, who kindly lent us, when in need, two shillings and six pence in every pound, to advance to the poor soldier. If certificates are the evidence of the debt, it proves, sir, that the balance is due to him in whose name it issued. This is the day of payment, and we must pay accordingly; and here permit me to remark, in reply to the observation of the gentleman from New Hampshire, (Mr. LIVERMORE) that Jacob was punished for his fraud, but for his faith enjoyed the promise; even so let us regard those who had so much confidence in us, as to advance two shillings and six pence to the distressed soldier.

Mr. HEISTER was in hopes this question would be postponed for the present, in order to go into a consideration of the ways and means; when, if it appeared that the United States were incapable of making full provision, it might be considered, whether one deviation would not authorise the other? If any gentleman would make a motion to that effect, he would second him.

The question was now taken on Mr. MADISON's proposition for a composition, and it passed in the negative; yeas 13, nays 36.

Mr. WHITE observed, that the second resolution proposed by the gentleman from Pennsylvania (Mr. FITZSIMONS) was now before the committee; he would wish to modify it, by declaring that permanent funds ought to be provided, instead of appropriated; because the latter seemed to imply that Congress were already possessed of the funds, which he believed was not the case; he also wished to extend the resolution, so as to embrace the civil and military establishments of the United States, leaving the surplus to be employed in just proportion to discharge the interest of the domestic debt. The plan of the Secretary seemed to contemplate the payment of four per cent. and gave a preference to those who subscribed to his new loan; by this means, the original holder who had retained his certificate, and who thought his claim more meritorious than the others, and who, in consequence, could neither afford, nor would be willing to accept of either

of the alternatives, would be left unprovided for, unless there should remain a surplus after every other demand was satisfied. He thought no discrimination ought to take place, and that he conceived to be the sense of the committee; then the revenue should be applied in just proportion among the creditors.

Mr. FITZSIMONS would not undertake to say, that this was an unfortunate proposition; but it had certainly been treated as liable to many objections; however, he trusted he would not contend for words, so that the real object be attained; but he would ask, what did the gentleman mean by this motion? Does he intend that nothing more shall be provided for paying the public creditors than the impost now in collection? If he does, their claims will be but poorly satisfied; but he considered that no money could be raised by law, unless it was specially appropriated. He hoped the funds of the United States would be found under an economical and efficient administration, fully adequate to every demand upon their justice. The report of the Secretary of the Treasury placed it in this point of view, and it was the point in which he had long been accustomed to contemplate it. He was pleased to find himself warranted, in these expectations, by official information, drawn by a gentleman of ability, from indubitable documents, and some experience.

When he had the honor of bringing these propositions before the committee, he hoped their simplicity and singleness would have confined the debate constantly to the point. He conceived it to be time enough to enter into the minutiae, when the business was spread in the form of a bill. If the committee agree, in the general principles and great outlines of the plan, the inferior parts might be accommodated with convenience, so as to produce a complete and uniform system.

Mr. GERRY objected to the amendment offered by the gentleman from Virginia, (Mr. WHITE) inasmuch as it involved a breach of the constitution; for, in the manner he had expressed it, the committee were to resolve, that permanent funds ought to be provided for the support of the military establishments of the United States, when grants of that nature are expressly prohibited from being for a term greater than two years.

Mr. WHITE.—If he was right in the principles of this motion, he hoped it would be adopted; but he would obviate the last mentioned objection by striking out the word “permanent.”

The proposition of Mr. WHITE, being now reduced to a motion, a question was taken on the same; and it passed in the negative.

The question then, on Mr. FITZSIMONS's second resolution (see page 1178) being taken, passed in the affirmative.

The third proposition (the same page) being under consideration:

Mr. LEE said, he conceived this to be the proper place for us to determine the *quantum*

of the debt which the United States are able to bear; how much of the debt we shall find, if we are not capable of funding the whole; and whether there is any part that has a less claim to interest being paid upon it than another; and in what manner such part ought to be provided for.

It is well known to every gentleman on the floor, that the United States have extensive tracts of vacant and uncultivated lands. Let us inquire, then, whether it would not be both prudent and politic to avail ourselves of this resource, and apply it to the immediate diminution of the public burthens? It is true, gentlemen seem pretty generally agreed, that the people of the United States are capable of bearing every burthen necessary to the support of public credit. This I do not mean to controvert, they may be capable of bearing each his full proportion; but I would ask, what is their inclination? Do gentlemen suppose they are willing to bear it? For unless, in a Government like ours, the people are willing to bear it, it amounts, in my judgment, to an incapacity, and will, on public credit, have the same effect.

Our present circumstances are distressing; we were brought into this calamitous situation by the ravages, depopulation and expense of the late war. It is our duty, then, as Legislators, guided by a magnanimous policy, to do the best we can, for the community so circumstanced. Let all our efforts tend in this direction, and we shall evince that our great object is the public good. This opinion, established on experience, will do more to perpetuate the blessings of good Government, than all the theoretic systems that can be invented. Let us use our extensive Western Country, to repair the ruin which has taken place; draw from the impost, or any other source of revenue, so much as can be obtained without distressing the community; but if it is not agreeable to go further, it is improper, and we ought to call in aid the fund to which I allude. Let the sales of land sink the arrearages of interest and indents; or let it be exchanged for them at a moderate and fair valuation. We here do the best we can—we have this fund, and they have our obligation. We do not wish the holder of indents to pay an extravagant sum for our lands—we are willing to sell them at a moderate rate.

If we can do complete public justice, let us do it, if we cannot do complete justice, let us do the best we can. We owe the interest, let us offer what we have of equal value, in order to make complete payment. After having provided for the punctual future payment of the interest and principal of the domestic debt, we can do no less than what I now propose, for the discharge of the indents and arrearage of interest. The measure, there can be no doubt, would give great satisfaction to our constituents, while it rendered the holders of securities full and adequate compensation for their claims. He concluded with moving, that the

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arrearages of interest, including indents issued in payment thereof, ought to be provided for by the sale and disposal of lands in the Western Territory.

This motion not being seconded,

Mr. GERRY inquired what it was intended by this resolution to do? Was it meant to fund the indents in the State Treasuries? If this was contemplated, he feared that it would be a reward for delinquency; and this the committee would be convinced of, by referring to the manner in which the business was conducted. At the time that Congress authorized a State to issue indents in payment of interest on the domestic debt, they called upon her to pass acts for collecting and contributing her proportion of the same to the United States. Some States passed acts accordingly, collected them in, and transmitted them to the Treasury of the Union. Others have collected them, but never paid them over as required. Therefore it appears, that this last class ought not to have the benefit of having the indents in their hands funded, while others, who have shown a more prompt compliance with the calls of the Union, are prevented, by having performed their duty, and paid them over to the Treasury. With respect to the indents in the hands of the creditors, and the arrearage of interest, he had no doubt of the propriety of considering them as part of the principal; he would, in order to make the object of the resolution more pointed, move to alter it so as to read, "ought to be incorporated with, and made part of the principal," instead of "ought to be provided for, on the same terms as the principal."

Mr. FITZSIMONS said, there was no doubt but the intention of the resolution was, to make an equal provision for all, whether in the possession of the States, or in the hands of individuals. He saw no mode by which a discrimination could take place, if even the principle was just; but it was as much a fact, as that some States had neglected to pay over their quotas to the Federal Treasury, and retained the indents in their own, that other States had paid their full proportion of them, and still retained a considerable balance, which they were undoubtedly entitled to fund. He apprehended these requisitions of Congress must stand upon the same footing as all other requisitions; but in the interim, that a general and equal provision must be made for all; and this was the idea of the Secretary, as the whole interest, whether paid in indents, or unpaid, is calculated to be funded.

Mr. GERRY would submit it to the judgment of the committee whether this was a just proposition, if they considered its operation? Suppose, said he, that one State has collected its full proportion, agreeable to the requisitions of Congress, and sent the amount into the Treasury of the United States, while another State has collected but half her quota, and has it still in possession, is it justice or equity, that the State first mentioned, which has complied with its duty, should be under the necessity of con-

tributing taxes to pay half the debt of the latter State? Yet this will be the result, in regard to every State which has paid its full proportion or less. If it will be unjust, as it respects those States which have paid but half, how much more unjust will it be as it relates to those who have not paid any. Will it not be better to let it be considered as a debt on account without funding it, liable to the final liquidation, and settlement of accounts. Or if we admit the States making defaults, to place its indents in the general funds, we ought to provide that those States which have paid in those indents, either in whole or in part, draw back the same, or receive other securities to an equal amount, and then we may, on the principles of equity, admit the whole to be funded. But the best way to proceed will be, to consider the indents in the State Treasuries, as in the Treasury of the United States; for he could not believe that it is meant that a State should have the benefit of its delay. He wished the proposition varied so as to embrace this idea.

Mr. LAWRENCE.—If gentlemen will only advert to this circumstance, the proposition, as it stands, will be admitted without any amendment. The several States have been called upon for several years past, for certain sums, in specie or indents, and those sums were apportioned according to their supposed abilities. These sums were not considered as their absolute quotas, but were left to be adjusted at some future period, when a rule of ascertaining the proportion should be agreed upon. Those States which complied with the requisitions, by advances of either specie or indents, are to be considered as making advances only on a general account; so that whether a State complied or did not comply, is quite immaterial, because, when those accounts are ultimately settled, each State will have credit accordingly. Some States may avail themselves of the benefits of the resolution at present, but eventually it will be equalized. The issue of indents was a measure intended for the advantage of the individual creditors; the States were prohibited from issuing this species of certificates, until they provided a revenue for their ultimate discharge; and the requisitions of Congress were so arranged as to facilitate the efforts of the several States; they were authorized to pay two-thirds of the requisitions in indents, and one-third in specie. Some States passed laws conformable to these terms held out in 1785, but in 1787 an alteration in the requisitions took place; the States were no longer obliged to pass laws covering so much of the indents specially, but were left to pay them in the manner they judged most expedient. He believed that the States which had passed laws for their redemption had generally paid them over to the loan-offices in their States, and they either hold them for, or have transmitted them to the Federal Treasury. Probably in some States, these certificates may be in the course of collection; because it often happens,

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that when revenue laws are passed, the payment of the tax is delayed. It is meant to say, by this restriction, that those indents only, which are this moment in the State Treasuries shall not be funded; if it is, how can the law be executed? Indents are made to pass as specie, they are issued without name. The States have received them as such, and have a right to pay them away, leaving the effect to be determined by the operation of the final settlement of accounts.

Mr. MADISON considered it improper to encumber a general proposition with a particular detail; but beside this objection, he had another; that is, it may tend to embarrass the committee on a future question of great magnitude.

Mr. SHERMAN would second the gentleman's motion, if reduced to form, in order that the sense of the committee may be taken on it, and afterwards leave them to proceed to the main question. He thought the exception to funding the indents in possession of the States ought to have a proviso attached to it, to secure to them a credit in the general account on its final adjustment.

Mr. GERRY.—What are the objections to the variation I propose? It is suggested, by the gentleman from New York, that the States having these indents in possession, may issue them and evade the intention of the law, without the possibility of detection. I will not suppose a thing so derogatory to the honor of any State; but, if the thing was to be apprehended, a remedy might be sought for, and no doubt with success. The same gentleman says, that when the accounts are finally liquidated, these matters may be adjusted; but it is a doubtful matter when this adjustment may take place. Yet, suppose they were adjusted, which some consider as a contingency, which may or may not happen, how would it operate in the interim? Here is a State, consistent with its duty, has complied with the requisitions of Congress, so far, at least, as respects the interest of the domestic debt; while, on the other hand, there is another State disregardful of that duty which has not complied. This unlimited proposition will determine, that the first shall contribute to fund all indents, which the latter has received, collected, and retained; but which they ought equally to have paid over to the Federal Treasury; and on the capital of this exclusive debt, she must labor to pay interest, until the final liquidation of accounts. Now, is there a State in the Union so flush of money, as to wish to contribute an unequal proportion to the support of this measure? Will it be satisfactory to those States which have furnished their proportion to be thus treated? Will they not contend, either that the whole be paid in, or that they be reimbursed by the issue or return of their proportion which they had already contributed? It appears that one or other of these modes ought to be pursued, as well for the satisfaction of States, as to conform to the principles of justice. The complying States could not but consider

it oppressive and unjust, to contribute further sums, when they had done already what had been required on the principles of reciprocity; while those who had participated in the violation of public faith and the breach of contracts were rewarded.

Mr. LAWRENCE said, the gentleman's objection went against making any provision at all on this head; for saying that the indents should be left on the footing of the old Confederation was nothing more nor less than rejecting them. If the National Government should decline funding them generally, the individuals would never get satisfied. The gentleman has supposed, that it would be derogatory to the honor of the States that have not complied with the requisitions of the old Congress, if they were to give out the indents they have or may collect. He did not view it in this light, because he supposed every State had a right to use this property as it pleased, and wait the final settlement of the accounts. If she paid them into the Federal Treasury, the balance due her on settlement would be greater; if she neglected it would be less, so that the event would do equal justice, according to the nature of the case. But the ground of requisitions was abandoned, the mode of providing for the public debt was different, the General Government now operated on individuals. How then is it derogatory to the honor of a State, to use a property, which, as she has not paid, she must hereafter pay? The mode of discharging the public debt being varied, we are not to expect that any State will pay a farthing on the old requisitions of Congress, what they have they will keep, and abide the ultimate adjustment; from hence, it appears that the motion and ultimate proviso are unnecessary, even if the measure was within our reach, which it certainly is not.

Mr. LIVERMORE apprehended the general proposition made by the gentleman from Pennsylvania, was embarrassed, by having in it the word "indents;" he wished, therefore, it, and all that related to it, might be struck out. He thought the indents issued by the former Congress ought to stand on their old footing, and be paid in on the requisitions. A great part had been already collected, so ought also the remainder; but if any part should eventually be left in the hands of individuals, Government might make provision for them. If gentlemen objected to strike out the word "perhaps," and inserting "not," before the word "including," would produce the same effect.

Mr. FITZSIMONS feared the gentlemen had not considered the subject with their usual accuracy; if they had, they would not embarrass it with a question of this sort. They would please to recollect, that the requisitions of Congress touching the indents were of the same nature as those of specie. These requisitions, as well the one as the other, were complied with by some States in full, in some by small advances, while others paid none at all: from these circumstances, it happens that a large sum is

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now due the individual creditors, either for the indents in their hands, or for the unpaid interest due.

The indents due on the requisitions of Congress, in April, 1789, were 6,491,000 dollars; the specie was \$3,521,000. Now how can it be proper to call upon the States for the first balance, and not for the last? If it is meant that these balances should be paid, the State I have the honor to represent can have no objection; she has paid an equal proportion to any in the Union; but, I believe, no gentleman on this floor entertains a hope that the States can be prevailed upon to pay up the balance of the requisition in specie: this ground, I take it, sir, is totally abandoned; and if we mean to do any thing for the support of public credit, we must have recourse to some other mode of obtaining revenue: If it is intended to refuse funding the indents in the State Treasury, great injustice will be done, for the State of Pennsylvania has not only paid the whole required of her by Congress, but has a considerable balance in her Treasury. For that State having assumed the payment of the debts of the United States, due her own citizens, has made a provision for the payment of the interest in actual money; as she assumed more than her proportion of the domestic debt, she consequently drew interest in indents beyond the quota required of her by Congress, the balance still remains in her hands, and she is undoubtedly as much entitled to have them funded, as if she had issued them to her citizens, instead of the money she has paid for interest. The State of New Jersey is in the same predicament, and there can be no doubt but these two States, and every other in similar circumstances, would sustain real injustice, if the amendment proposed by the gentleman from Massachusetts were to take place.

Mr. GERRY said, the arguments of the gentleman last up did not touch the question, because the amendment was not intended to affect the balance held by the States, which had paid in the indents required by Congress. The situation of Pennsylvania ought, no doubt, to be provided for, but he did not know that any other State in the Union was in the same condition; but he was well convinced, on the principle of equity, that the delinquent States had no right to have their indents funded; and burthen those which have already contributed their full proportion, with a debt they do not owe: he would state a case; suppose the whole debt of the Union had been proportioned and levied before the formation and adoption of the constitution, and the State of Pennsylvania had paid in her full proportion, then she is, in justice, discharged from any other or further contribution; but the new constitution having taken place the delinquent States oblige her to take up part of their burthens; they levy a direct tax, and make her pay a second proportion: Would this be consistent with justice? It would not; yet the proposition stands upon the same

principle. Would the States, who have performed their duty, submit to such oppression? It could hardly be expected of them. But if they acquiesced for the sake of preserving the harmony of the Union, is it likely that the delinquent States would ever concur in, or aid the final settlement of the accounts, which would bring the old load upon the shoulders of the majority, and render that distributive justice which they now evade? Whatever may be the event, it is certain that it would be their interest to avoid the final adjustment of the expenditures.

Gentlemen say, that individuals will be affected by the restriction which I have contemplated; but how will they be affected? Advantageously; for I would ask any gentleman, if the funds will not yield a greater proportion as the debt is less, and if this will not secure a more punctual and complete payment than when the debt is increased by the addition of the indents already in the State Treasuries? But there is a real distinction between the specie requisitions, and the requisitions of indents. Specie was to be collected of the inhabitants, without a certainty of a return; but indents were first lent by Congress to the States, and they were to return them after having made the use of them for which they were issued; some States having paid the whole back, others have paid little or none. Now, what was the contract? That every State should return the indents that were advanced to them. It cannot, therefore, be consistent with justice, to burthen the complying States with a load of debt, accumulated, and applied by the defaulting States to their exclusive advantage, without any other than a very remote expectation of reimbursement at the final settlement of accounts.

Mr. FITZSIMONS was apprehensive lest an amendment of the kind proposed should embarrass the business. How could the gentleman make the exceptions he had admitted to be proper? The claim of Pennsylvania was indisputable; but, perhaps, other States might have the same justice due to them, in cases where their claim might not be altogether so apparent.

Mr. CLYMER said, the gentleman ought to qualify his amendment, so as to speak the language of his own explanation. He ought to accept only those indents collected into the State Treasuries, for the purpose of complying with the requisitions of Congress.

Mr. BENSON.—The motion for amending the original proposition, appeared to him to stand on a principle rejected by the Committee. It would be an unavailing discrimination; because the power of the General Government could not reach the case; suppose this State were to direct its Treasurer to sell the indents in his possession, and buy certificates, or if it were to order them to be exchanged or paid away, how would the Congress prevent the measure? This Government does not operate on States,



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as the Confederation did; it operates on individuals, and who is to be punished for the act of the State? Has Congress authority to forbid the sale, or to punish the disobedience of its order, in this case? It is a delicate question, and ought not to be unnecessarily agitated.

Mr. HUNTINGTON had some suspicion that a resolution like that proposed would tend to embarrass the final settlement of the accounts; and for that, as well as the other reasons suggested, he would vote against it.

Mr. GERRY.—The gentleman from New York says, that my proposed amendment stands on the footing of discrimination, which has been rejected by the Committee. There is only this difference; the former question was reduced to this, shall we pay a just debt, acknowledged to be due? And the present is this, shall we pay a debt to a State, which, so far from being due, is absolutely reversed? That the State owes to you the very sum you propose to pay her. In reply to the gentleman from Connecticut, if this will embarrass the final adjustment of accounts between the United States and individual States, so will every credit-charge which there may be in the case; but this will embarrass the settlement no more than any other charge.

Mr. SEDGWICK saw nothing like discrimination in the proposed amendment. He conceived that whenever the indents were collected into the State Treasury, they were the property of the United States, and it was nothing but neglect in the States that they were not paid over. Ought the consequence of this neglect be to enable a State to obtain a debt against the United States, until the final settlement of accounts, when she is nothing more than the agent of the Government, by whom the business of indents was transacted?

Mr. BENSON would state a case which would shew the discrimination. Suppose a creditor of the United States had received one hundred dollars in indents, as the interest of his money, and was to purchase of the State of New York land to that amount, and pass the indents in payment; but, because it is in possession of the State, it must not be funded; yet, what is in the hands of individuals shall. What is this but discrimination? But the attempt must be vain, you can never trace the security; you must accept them of those who hold them, and if your act was to restrain New York from passing them out of her Treasury, the State of New York would not be obliged to obey such a law.

Mr. GERRY.—The gentleman says the State of New York would not be under any obligation to obey a law restraining her from issuing the indents in her Treasury. I should be glad to know on what principle he founds this opinion?

Mr. BENSON replied, that this was not one of those points in which Congress had a right to legislate for the State; and, therefore, any regulation on this head could not affect them.

Mr. STONE thought it would be unjust to fund the indents in the Treasury of a delinquent State, and refer the one that had paid in its quota to so distant a period as the day of final settlement. He thought the General Government ought, if it funded the former, return to the latter all that had been paid in, and then they would stand on an equal footing.

Mr. LAWRENCE said, it was not on account of the State he represented that he opposed the amendment, but it was on general principles. The State of New York had paid her proportion of the requisitions with great punctuality, and perhaps no State in the Union had paid more than she had in indents, Pennsylvania excepted.

The call for the question being pretty general through the House,

Mr. HEISTER wished gentlemen to delay the decision; it was a delicate question as it respected the customs and opinions of the people of the United States, how far it was proper to sanction the payment of interest on interest; but, beside, it was a sum of too great magnitude to perpetuate the burthen upon their constituents, without more deliberation and discussion than had hitherto been given it.

The question on Mr. GERRY's amendment being put, it passed in the negative.

Mr. HEISTER moved the rising of the committee, as he was against deciding at present on the proposition; if, however, the question was pressed, he would vote in the negative.

Mr. SHERMAN thought the interest was as meritorious as any part of the debt, and ought, of consequence, to be equally provided for.

The question on the third resolution was put, and carried in the affirmative.

The fourth resolution, on the assumption of the State debts by the United States, being under consideration,

Mr. LEE hoped this subject would be passed over for this session at least; it was a question too momentous to be hastily agreed to.

Mr. GOODHUE hoped it might not be passed over; but he had no objection to the rising of the committee.

Mr. SEDGWICK said, the question involved a great variety of consequences, and was deserving of the most serious attention; but as the day was too far spent to go into a discussion at this moment, he would second the motion for the committee's rising.

Whereupon the committee rose, and the House adjourned.

TUESDAY, February 23.

A message from the Senate informed the House that they receded from the amendments disagreed to by the House, to the bill providing for the enumeration of the inhabitants of the United States; and that they have agreed to a resolution, that it will be expedient to accept of the cession proposed by an act of the Legislature of North Carolina, for ceding to the Uni-

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ted States certain Western lands therein described, on the conditions therein contained, and that when a deed shall be executed for the same, Congress express their acceptance thereof by a legislative act: to which resolution they desire the concurrence of this House.

Mr. FITZSIMONS, from the committee appointed for the purpose, presented a bill for regulating the Post Office of the United States, which was read the first time.

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The House then again went into Committee of the whole on the Report of the Secretary of the Treasury, Mr. BENSON in the Chair.

The assumption of the State debts under consideration.

Mr. LAVERMORE thought this proposition one of a very extensive nature, and of which the committee, at the present, had no complete idea. But why are we to use such expedition in determining upon it? The Secretary does not consider it of importance to provide for it for a long time to come. Are the creditors of the respective States, or the States themselves, clamorous for the measure? They have not, as yet, applied to Congress on this head; perhaps the creditors are satisfied with what the States have done for them; why then are we to undertake a work of this extent, when nothing appears to show its necessity, or even propriety? Is not the task of providing for the real debts of the Union sufficiently arduous, without undertaking more, when more is unnecessary? Beside, will not the assumption of more debts than we owe disable us from doing our real creditors justice? And will they not have a right to complain of our conduct? But the merits and amount of these debts are both unascertained. It would argue a want of foresight to adopt a measure wrapped up in uncertainty. We know there are Commissioners appointed and employed in the settlement of the accounts between the individual States and the United States; let us know first from them what balances are due to the respective States, before we undertake to assume them. I think these considerations alone sufficient to induce us to suspend our determination for the present; but if we cannot pass it over regularly, and consistently with the rules of order, of which, by the by, I profess myself no judge, I hope it may be negatived.

Mr. LAWRENCE.—I view this, sir, as one of the most important subjects which can come before Congress. I conceive that it requires all the investigation and consideration which reason and the most experienced judgment can bestow. I hope, therefore, that gentlemen are prepared to enter on the discussion with candor and moderation; and furnish their associates with all the light they can reflect upon the subject.

For my own part, after paying some attention to the measure, I must own that I am at present in favor of assuming the State debts; I

think I discover great advantages resulting therefrom. I believe it will be much easier, and more productive, for one body to draw forth the resources of the Union, than it will be for many. Those resources must be drawn out for the particular purposes for which they are wanting; the debt of the General and particular Governments must be provided for, either by the General Government, or part by the General Government, and part by the particular State Governments; for I apprehend the creditors of the respective States will think their State Governments as much bound, in justice, to satisfy their claims, as the creditors of the General Government think the United States bound to satisfy theirs. Therefore it seems to follow, if the General Government does not make provision for both, that they must leave some of the resources for the satisfaction of that part for which they themselves decline to make provision. Supposing the whole must be satisfied, I am led to conclude it might be done with greater ease, less expense, and more facility, if it was all provided for under one general system. This is my general idea; and I am convinced, the more it is examined, the more it will be found beneficial to the Union.

It is well known, that particular States are in the exercise of deriving revenue from excise, for the satisfaction of particular creditors; and that part of the Secretary's plan contemplates the excise as a branch of revenue whereby to provide for the domestic debt of the United States. Perhaps, and it is highly probable, that the excise may be laid by both on the same articles; if they both go on, there will be such clashing and confusion, such prejudice and loss of revenue, that the product cannot be relied on by either: but if the debts are assumed, we can have the whole of these funds, and there is no doubt but they will be fully adequate, in this way, to the purpose for which they are wanted.

The objections made by the gentleman from New Hampshire may be easily obviated. He has mentioned that we know nothing of the state or amount of this debt. The Secretary of the Treasury, from authentic accounts in many instances, and from well grounded conjectures in others, has ascertained that all the claims of individuals upon the several States does not exceed twenty-five millions of dollars; hence, here is some certainty as to the extent of the debt; but if there is any objection on this ground, Congress may bind them to that amount, that they shall not go further.

He further objected, that it was improper to assume these debts, because we do not know the merits of the particular claimants. We must have some confidence on this subject, and suppose that when the particular States settled, liquidated, and admitted a debt, that they did not admit improper ones; the States having admitted them is our security; the merit was proved to their satisfaction, and no doubt will be to ours, provided we think proper to assume them.

He says there has been no application made to Congress, by either States, or individual creditors of States. But this, sir, is no reason against the assumption. If we view it as a measure beneficial to the true interests of the United States, we are at liberty to adopt it without any such application. I imagine it will be beneficial to the State claimants; and it is unnecessary to wait for an application from them, to induce us to do what will be conducive to their interest. They will be better satisfied under a general regulation, that will exhibit full and permanent provision, than they can be under partial State regulations. I believe there is no occasion to wait until the particular States make application, because the claims we are to assume are those of individuals against the States, and if they mean to subscribe their claims, the States cannot interfere, it is the property of the creditor, and he may do with it what he pleases; if they chose to transform their debt into a Continental debt, what has a State to do with the transaction?

The gentleman has also intimated, that if we assume the State debts, we shall embarrass the operations of the General Government, with respect to the domestic creditors; but if we do not assume those debts, I think the creditors of the General Government will have a right to complain. For the interference and clashing of thirteen collections will, in all probability, occasion a deficiency in every one; the certainty of drawing any given sum from a fund thus circumstanced, is not to be relied upon; will it not be injurious to the creditors of the Union to have the revenue that is to pay them their interest totally precarious? Will not their principal be diminished in full proportion?

The gentleman has admitted, that on the final adjustment of accounts, we ought to assume the balances. I suppose, if the States are not able to pay them; but I presume the settlement of accounts makes no alteration on this point. If the debts are now assumed, it will reduce those balances; if they are not assumed till after settlement, the balances will be greater. If it is proper to assume at any stage, why not assume at the first stage, when we are certain that the measure is founded in justice, and can be executed with convenience to all parties? Hence I am led to hope that the committee will ultimately adopt the resolution, though I am not anxious to hurry on a decision until the subject is well examined. I shall hear the observations of gentlemen with pleasure.

Mr. LIVERMORE begged to explain one word. What he had said with relation to the merits of the debt, did not apply to the individuals, it referred to the nature of the debt, such as whether it was contracted for general or particular defence, or for local and State purposes, with which other States had nothing to do. He supposed there was all this and more variety to be found in the State debts.

Mr. AMES expressed great regard for the candor of the committee in proceeding to discuss a

subject which some gentlemen considered as of the first importance. He presumed from it, and the consideration gave him the highest gratification, that they were disposed to persevere in that line of conduct towards each other, which had hitherto so notoriously contributed to preserve that harmony in their discussions and decisions which had hitherto prevailed.

He begged permission to state one or two reasons why the committee ought to proceed in the way they were in, which he was sure would not be considered as altogether foreign. I presume, in the first place, that it is pursuing the civil order of things; that is, we consider what is to be done, before we consider how it shall be done. It is perfectly natural to ascertain what the debt is, before we declare how it shall be paid. I can hardly contemplate a change in the order of proceeding, without incurring confusion.

But there is another consideration: the manner in which the provision shall be made for the discharge of the annual interest will, in a great measure, depend on the decision of this question; because, if the committee determine that they will assume the State debts, they may proceed without paying much regard to the existing and otherwise interfering revenue laws of the several States. They would then have a clear stage, and might fit it up as they judged most convenient. They might lay such duties as they supposed were most likely to be successfully collected. But if we do not assume them, it will then be worthy of inquiry, how far we are to regard the present laws of the States respecting excise? Whether we are content to take the residue of what is left after the State collection? This will also lead to the discussion of an invidious question between the pre-emption right of the State and of the United States, and the superiority of the general and particular creditors.

By pursuing order, we shall, I trust, come to satisfactory conclusions upon every proposition. The resolutions are simple; they do not enter too much into detail; nor are they expressed in too compact a manner. By their simplicity they are capable of fair discussion; it is what the honorable mover intended, and what I hope they will receive.

There is one other remark I would suggest; but then I would have gentlemen observe, that I barely suggest it. Perhaps if we do not assume the debts contemplated by the Secretary, we have no right to assume the funds; if we break into his general arrangement, the system is disordered, and can hardly be again connected so as to preserve its symmetry, or give it efficacy.

Mr. SHERMAN.—If we can make provision for these debts, it will be a desirable object to assume them; it will, at the same time, ease the States of a very great burthen, and put all ranks of creditors on the same footing; and this last will have an effect to prevent speculation, inasmuch as there will be but one uniform ob-

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ject for men to trade in; there will be no difficult variety in the nature of stock. But, at the same time, I think the debts to be assumed ought to consist of those only which were incurred for common or particular defence during the last war; and not those debts which a State may have incurred for the support of its Government, the protection and encouragement of its manufactures, or for amending and opening highways, clearing the obstructions in the navigation of rivers, or any other local purpose, undertaken merely for the benefit of one or two States.

I have no objection to agreeing to the general proposition at this time; but I am not quite so well satisfied with respect to the time when the provision ought to be made for paying the interest thereon; but as that matter is not immediately before the committee, I shall not touch upon it at present.

Mr. STONE.—A strong binding force, exterior or interior, is supposed essentially necessary to keep together a government like ours; and of all the bands of political connexion, perhaps there is none stronger than that which is formed by a uniform, compact, and efficacious chain or system of revenue. A greater thought could not have been conceived by man; and its effect, I venture to predict, if adopted by us, and carried into execution, will prove to the Federal Government walls of adamant, impregnable to any attempt upon its fabric or operations. I have viewed it with some degree of attention, and I see the subject rise into gigantic height.

I am inclined, sir, from the view I have taken, to believe that the measure is not founded in injustice; because it is an advance of credit by the United States, which the individual States are in future to compensate. And although the individual States may have gone into enormous expenses on account of their Civil Government, yet it does not appear that it will operate unjustly on that account; because I suppose that the States will not have credit in a future settlement for any thing but their exertions during the war. Those who have made the greatest exertions will have the greatest credit; therefore we are to suppose that justice, in the end, will be done to all parties.

It is also very clear to me, that the United States will collect the revenue arising from the proposed funds, and pay it over to the public creditor, with more ease and less expense, under a uniform system, than could be done by the various and different regulations of the several States; but, in proportion as these reasons are cogently impressed on my mind, the objection rises the stronger to the whole system; for, in my opinion, it ought to be defended, with this point granted, that a General Government is of advantage to the people of the United States.

I shall detain the committee a very little while in examining how far the proposed scheme is connected with that idea. I think, sir, where-

ever the property is, there will be the power. And if the General Government has the payment of all the debts, it must, of course, have all the revenue; if it possesses the whole revenue, it is equal, in other words, to the whole power; the different States will then have little to do; important talents will not be necessary to be employed in the administration of the State Governments; if they are not found to be necessary, the fair presumption is, they will not be employed. Men of consequence and great abilities will hardly go into a Legislature where their usefulness is circumscribed to trifling or uninteresting points. What is likely to be the effect of this? I presume, that hereafter the Legislatures of particular States will be composed of men who hold their talents at a cheaper rate. The same principle will operate throughout the whole routine of State business—the Legislative, Executive, and Judicial; and the operations of the Government will partake of the weakness and imbecility of its administration. In proportion as the State Governments decline in consequence, men will look up to the General Government; and in proportion as they decline in their importance, so will the Federal Government rise in consequence. It has been very doubtful whether there can be a confederated Government where the laws are to operate on individuals, and not on States. Indeed it has been a doubt whether a Confederated Government remains, when the General Government possesses the power of the purse; and whether that circumstance does not swallow up the idea of an absolute existence of a State Government. I believe the truth of this will be demonstrated by recourse to historic facts. Every confederated Republic which has given the superintending body the power of the purse, has found every effort of the individual States insufficient to keep the compression of that band from holding them tightly together; neither exterior nor interior force has yet been able to separate the parts of a Government formed on this principle. Hence, sir, I am led to believe, that if the whole revenue of the several States is taken into the power of Congress, it will prove a band to draw us so close together, as not to leave the smallest interstice of separation.

There is another consequence which seems to result from this plan, with which my mind does not accord; it is this—that one class of men in the United States are about to bear the whole expense of the late war, and that class is the consumers of foreign articles. This is strictly true, if we except a very trifling revenue indeed, derived from the writers of post letters; and, perhaps, as trifling a one from the excise on the spirits distilled in the United States. Now, it appears to me, that the consumers of imported articles are not the only persons in the community who draw advantages from the late revolution, or from the adoption of this efficient Government; therefore, we ought, as far as we can ascertain, endeavor to lay the burthen

as equally as possible upon the whole community.

I know that laying a duty on imports to a certain extent is one of the easiest modes of raising revenue; and that, in general, it will operate most equally; but it does not follow, that because it is the easiest to a certain extent, we are, therefore, to relinquish every other species of taxation, and lay the burthen of the revolution on one class of citizens alone.

There is another observation which I mean to make. It does not appear to me that the debts of the particular States are the debts of the United States. State debts, and debts of the United States, are hardly convertible terms; and I question very much, whether it is strictly within our constitutional power to levy taxes and collect duties, except it be to pay the debts of the United States. Will it be admitted, that Congress can adopt any debts they think proper, whether they come within the idea of being debts contracted for the purposes of the Confederation or not? The object expressed in the Constitution is simply to pay the debts of the United States. Can Congress, by their own authority, saddle the Union with a debt of this magnitude, independent of the particular powers they derive from the Constitution, and then justify the collection of taxes under the general powers of the Constitution? Suppose the United States were to levy a large sum in taxes, without an object, would this exercise of authority be within the defined powers of the Constitution? Would it be right to say, that we shall hereafter be largely in debt, but we are not yet so; and, therefore, we must collect a great quantity of revenue? The scheme of the Secretary proposes either this very thing, or something extremely analogous. The State debts which we are to provide for are not the debts of the United States, and very possibly may never be.

If this is granted to be a principle of our Constitution, it may be a dangerous one. If Congress say they want money for some purpose which they conceive to be salutary to the United States, but which, at the same time, is not a constitutional object of their power, have they a right to levy duties for such purpose? And if they have, where is the limit to which they may not go? Or where is the boundary by which they are restrained?

Before this scheme is adopted, it is my opinion that the sense of the several States, and the individual creditors, ought to be obtained. I think material disadvantages may arise unless they are. There are a variety of debts in the several States; their extent is as different as the provision made for their security. The credit of the States is materially different; perhaps in consequence of the amount of their debts, and the means of their payment; not, however, that this is uniformly the case. The value of the debts of the State of Maryland may be different from that of the debts of New York and Pennsylvania. I believe, in Maryland, the

funds appropriated for the payment of the State debt are neither so ample or punctually paid as funds provided by Virginia or Pennsylvania, the two adjoining States, for the payment of their debts; yet the paper securities of Maryland sell in market for twice the sum than the securities of either of those States. I suppose the paper must be rated at what it sells for in the market; and when men are asked to make their selection as to which they will prefer, they will forego what brings least, and accept of what contributes most; they will be governed by the market price of the several kinds of stock; then I infer from hence, that there may be a partial adoption of the scheme by the several States, and individual creditors of the States. It would be well to examine the consequences of such an event. I believe the committee will have no doubt in assenting to this proposition—that whenever the faith of a nation is pledged to pay its just debts, it must perform that promise with good will and alacrity. We have sufficient proof of this by the speedy adoption of several resolutions on this head by this very body. But let us suppose, sir, that the individual creditors of Pennsylvania or Maryland refuse to adopt your plan, and the State refuses to notice it; or that the majority of the creditors of those States refuse to subscribe to your loan, one of two consequences must arise: either a great part of the United States, having agreed to adopt the plan of Congress, will remit in their exertions to pay their State creditors, and, by that means, force the remaining creditors into a compliance with the terms of the scheme, or the States, where the creditors do not subscribe, will be forced to levy taxes for their individual creditors, and contribute, at the same time, to pay the debts thus assumed. Suppose the State of Massachusetts is pleased with the scheme, and thinks it right, but its creditors do not subscribe, will she go on and levy taxes to discharge the debt? Suppose the creditors of Maryland should refuse to subscribe, and Maryland disagree to the scheme: suppose a majority of the creditors and States should reject the scheme, and it fail, then the States who were in favor of adopting it would have to begin to tax again, having lost all this time. Suppose a majority of the States were to adopt the scheme, and a State and its citizens refuse, then this State must pay as much, by external taxes, as Congress are able to collect, and by internal taxes, as the State is able to obtain: all this they must bear without the consolation of thinking it equal. Such a situation must involve this country in serious circumstances. A State, thus circumstanced, would bear its burthen with great pain, and very great impatience.

Suppose an individual creditor, in any State, should refuse to subscribe to the Continental loan, the State must go on with its process of taxation to collect the money for this unsubscribed part. Here the expense of taxation would be equal to what it is at present; but its relative proportion, with the sum raised, would

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be increased much to the dissatisfaction of the citizens. In this case, that ease in taxation, which has been contemplated, would not take effect.

These are the reflections which have arisen in my mind, and really I did not think that we should have got so far on with this business by this time; we have been expeditious indeed; it will not be doubted that we are wise politicians, yet it must be granted we are bold ones. We have, without the assistance of any part of the community, except an officer of Government, and the information we have obtained from each other, adopted resolutions affecting the dearest interests of the people, without affording them an opportunity of letting us know their sentiments. Shall we go on to new-model all the revenues throughout the United States, to alter the disposition of every State's scheme of finance, without consulting them; giving cause of chagrin to the State creditors, and of alarm to our constituents and their State Governments generally? It appears to me to be a hazardous thing.

I will make one observation more, which the last has suggested. The community might have adopted, willingly, had they been consulted, a measure which they may object to and oppose, if decided upon without their knowledge.

I do not see, nor has it been proved to the satisfaction of my mind, that there is any occasion for using expedition in completing any part of the funding plan. I have not changed that sentiment which I mentioned in the beginning. If we lay and collect taxes, we shall be in a situation to pay our debts; but a funding scheme will not make us a farthing the richer, however elevated on the scale of nations it may make us appear. We often adopt propositions with the firmest reliance on their truth and propriety; yet some thought and communication, with a little experience, will induce us to wonder how we ever could have conceived them right.

These are the suggestions of my mind, so far as I have examined the subject, and it appears to be a step which we cannot take, at this time, with any prospect of advantage.

Mr. CLYMER said, that although the assumption of the State debts appeared to him a measure of a federal complexion, and necessary to the preservation of the Union, yet it required considerable caution. At present no very important objection occurred to him against it. Those mentioned by the gentleman from Maryland, he thought, admitted of an easy answer; they were principally, That we were required to assume the unauthorized, as well as the authorized State debts; which never could be a charge against the United States: That it would be difficult to find the means of satisfying both the Federal and State debts consolidated: And that if the power of providing for their own debts was taken from the States, they would be brought to too great a dependency on the United States.

To the first, he answered, that what we assumed of the unauthorized debts of the States

would be sufficiently covered in the gross demand which they all would have against the United States, when their accounts should be finally made up. To the second, he answered, that Congress could not assume the State debts without assuming, at the same time, those very means which otherwise the States would employ in extinguishing their debts, were they left on their own hands; and that, in this case, it would be as easy to satisfy both species of debt as one. On the third objection he observed, that if a condition of absolute dependency on the General Government was to follow this measure, it would be only the anticipation of a necessary event. For, on the final settlement of accounts, whatever debts were then due to the States, must be assumed, and in like manner provided for by Congress, in taking the taxation out of the hands of the States. Other objections, and perhaps material, might occur; but he saw none at that time that militated forcibly against the measure.

Mr. SHERMAN.—It appears to me, that the objections of the gentleman from Maryland, are not sufficient to prevent our adaption of this proposition. His first objection is, that it will give a greater degree of importance to the General Government, while it will lessen the consequence of the State Governments. Now, I do not believe it will have that effect. I consider both Governments as standing on the broad basis of the people; they were both instituted by them, for their general and particular good. The Representatives in Congress draw their authority from the same source as the State Legislatures; they are both of them elected by the people at large, the one to manage their national concerns, and the other their domestic, which they find can be better done, by being divided into lesser communities, than the whole Union; but to effect the greater concerns, they have confederated; therefore, every thing which strengthens the Federal Government, and enables it to answer the end for which it was instituted, will be a desirable object with the people. It is well known, we can extend our authority no further than to the bounds the people have assigned. If we abuse this power, doubtless, the people will send others to correct our faults, or, if necessary, alter the system; but we have every reason to believe the people will be pleased with it, and none suppose that the State Governments will object. They are the supreme power, within their own jurisdiction, and they will have authority over the States, in all cases, not given to the General Government, notwithstanding the assumption of the State debts. If it was a question between two different countries, and we were going to give the British Parliament power, by assuming our debts, of levying what taxes they thought proper, and the people of America were to have no voice in the appointment of the officers, who were to administer the affairs of the Government, the experiment would be dangerous to this country; but as the business is to be conducted by our-



selves, there can be no ground for apprehension. The people of the United States are like masters prescribing to their servants the several branches of business they would have each to perform. It would not comport with their interest if the Federal Government was to interfere with the Government of particular States; while, on the other hand, it would injure their interests to restrict the General Government from performing what the Federal Constitution allows them. It is the interest of each and of the whole, that they both should be supported within their proper limits.

Another objection is, that we are to pay the whole by imposts, and that this mode will be unequal. I apprehend this is not well founded; because the consumers of imported goods comprise all the inhabitants of the United States, and the consumption is, in a great degree, proportioned to the abilities of the citizens. The rich man, with his dependents, consumes more; there is more waste, too, in such a family, than in the economy and frugality of the poor. If this be the fact, the rich contribute revenue in a proportion, and of consequence, the burthen of the tax is borne generally and equally, by those who derive benefit from the late revolution.

Another objection is, that we are not authorized by the Constitution to assume the State debts. By the Confederation, Congress were authorized to raise money; but not being able to effect this, in an immediate and direct manner, they did it mediately, through the intervention of the State Governments; so that, in fact, these debts are to be looked upon as the absolute debts of the Union; however, I should have no objection to qualify the mode of expressing our opinion, in such way as to confine the assumption to those debts alone which were contracted by the States for the common defence. Those debts, as was observed by the gentleman from Pennsylvania, will ultimately be assumed, and it is as well to be charged with them, in the first instance, especially if doing so, in the first instance, will promote the general good.

Another objection is, that the debts of the States are of different value. I take it, sir, that no debt will be assumed, but what is liquidated and reduced to specie value, and, although we differ in nominal accounts, yet a dollar is every where equal. As to the inequality of the market rate, it may have been occasioned by some States not having made equal provision for their debts, when compared to the provision of other States; but as the debts are all equally meritorious, an equality of provision ought to be made. That some creditors have hitherto suffered, is no reason why they should continue to suffer; so I can see no weight in this objection. But he supposes that some creditors will prefer holding the State for their money, rather than the United States; if it should be the case, it will make no difference on the final settlement, because the States will only be debited

for that part of the debt which their creditors had subscribed into the general fund. But I see no good reason for supposing that the creditors of the States will refuse to subscribe. They have an election, it is true, but the terms must appear to them so advantageous, considering all things, as to induce them to accept the plan.

I have no difficulty, in my mind, respecting the assumption; but as to the time of doing it, I am not so well satisfied. I have not a doubt of our ability, because if the whole debt must be paid by the joint efforts of the State and General Governments, the same money may be raised, with greater ease, by the General Government alone; this point being conceded, I shall add nothing further at this time.

Mr. BURKE flattered himself with an expectation of obtaining the assistance of his friends in enabling him to make up his mind on the present question; but, hitherto, he had been unable to receive any communications from that quarter. If he erred, in the opinion he entertained at present, he hoped it would be attributed to the true cause, want of sufficient information to make up his judgment, and not a desire to protract a business perhaps intended for the public good.

The State I belong to has a large debt which they have contracted in their exertions for the common cause; this, I think, Congress ought to take upon themselves. That State was a continued scene of action for several years. In 1775, the Tories broke out, and the State struggled to suppress them; in 1776, the Cherokee Indians and the British attacked us in front and rear, as if by agreement, both on one day. The British fleet and army assaulted Sullivan's Island, and received a total defeat; were not the United States benefited as much by that victory as the State of South Carolina? To be sure they were. It was fighting for their liberty and independence, as much as our own. In the year 1778, the war was brought to our door again, and again we defeated the enemy; was not this fighting the battles of America? The affair of the Black Swamp, the actions under Gates, the loss of Charleston, the exertions under Greene—our debts were contracted for these purposes, and by our struggles with the enemy, whom we weakened, and finally overcame, we contributed to the establishment of the independence of America. To draw a distinction between the Continental debt and debts contracted in this manner, is establishing a distinction without a difference. But notwithstanding I am well satisfied of the justice of the claim, I have my apprehension that we are running on too fast; we ought to consider our ways and means, before we undertake a business of this enormous magnitude. I am confident we do not know the consequence of this business, and therefore ought to weigh it well. If any gentleman will move a postponement of it, I will vote for that, because I wish not to be too precipitate. The political consequences which may arise to the State Govern-

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ments gives me some alarm, and that makes me still more desirous of the postponement.

Mr. GOODHUE.—The State from whence I came was unincumbered with debt, before the late war, and now they are burthened with a heavy one, which they acquired; in consequence of the advances they made to enable the Union to carry it on; the debts of this, and the other States, are, in every respect, of the same nature with those of the Union; and must, like them, be paid. The present question then appears to me to be this; shall they be paid by the States, in their individual or collective capacity? The gentleman near me (Mr. BURKE) though he acknowledges the justice, seems afraid to assume them, lest the ways and means should prove inadequate; but he will find that the Continental Government is more able to draw out the resources of this country with effect, than the different State Governments are, in their separate capacity.

In some States, the interest of their debt has been paid by the duties of impost and tonnage; the Congress have taken those, and now it is in contemplation to take the excise also, which is the other fund employed to raise money to pay the State creditors. That being gone, for I suppose the two Governments will avoid doubly taxing the same articles, the States must have recourse to direct taxation. I do not know how agreeable direct taxes are in some of the States; but we have tried it pretty fully in Massachusetts, and know what is likely to be its consequence. The late insurrection was occasioned by them. As Massachusetts cannot go to direct taxes without an unwarrantable risk, she must continue the operation of her excise laws; and here I mean to refer gentlemen's recollection to the situation of 1787; what was it gave rise to the late change in Government? It was the interfering regulations of commerce, and the intercourse between States. It originated, if I mistake not, in the State of Virginia, in consequence of a variation in the regulations between her and Maryland. If such consequences as a change in the National Government have flowed from this cause, how careful ought we to be to avoid it in future: yet I do not see how this can be done, unless we embrace the State creditors in our provision; besides, the interference in the collection may justly be feared to work the destruction of both; and the creditors of the Union, in my opinion, will have greater security by this means, and, consequently, be better satisfied to have the whole blended.

I presume, no gentleman can doubt but the debts of the States are as meritorious as those of the Union. I believe, if there is any difference, it is in favor of the State debts; because, generally, the States were more economical in contracting, and generally received a more valuable consideration for their money than the United States. But without dwelling on this point, I contend, that where the resources go the debts must follow.

Mr. FITZSIMONS.—The proposition before us is no doubt a very important one, yet liable to some objections; but the one mentioned by the gentleman from South Carolina, (Mr. BURKE,) is not of very considerable weight; he thinks we ought to go into the investigation of the ways and means before we adopt it. He should recollect, the Secretary does not contemplate an immediate provision for this object; nothing is intended to be paid on this debt, before the year 1792; nor even then, unless the creditors agree to subscribe upon the terms held out; we shall consequently have abundant time to know the disposition of the State creditors, and to obtain the requisite revenue.

A doubt has been suggested, whether there is a probability of obtaining the consent of the State creditors; we can only judge of this from the probability there is, that men can discover, and will pursue their own interest; but there is reason from what the gentleman from Maryland (Mr. STONE) has said, to believe this consent.

The value of the securities, he asserts, is different in the different States; and he stated it as a fact, that in Pennsylvania, although the interest of the State debt was well funded, and tolerably well paid, yet their securities never rose above eight shillings on the pound in the market; when he alleged, that the debt of Maryland sold for twice that sum. I apprehend he must have included the interest due on them, which increased their value without adding any thing nominally to the certificates. Now, if securities well funded, with the interest regularly paid, have never risen to more than eight shillings in the pound, I suppose they will not increase in price when the funds upon which they were funded are taken away, and when even what remains will be rendered less certain by the interference of the General Government; I mean the article of excise. I have no doubt, but under these circumstances, the State creditors will subscribe with cheerfulness.

When the domestic debt is funded, the most productive revenues will be taken from the States, and the ability of the individual States to provide for the remainder will undoubtedly be lessened; in either case, the people will have to pay the whole interest. It is admitted, that the United States can collect the revenue for the whole, as well as they can for the proportion for which they have engaged to provide, while the ability of the States is diminished, and there accrues a deficiency by the various operations of the State and General Governments. I apprehend, the State creditors must go unsatisfied, which would not be just with respect to them; because their debts are as much debts of merit, as the greater part of the debts of the United States. The evidences are generally in the hands of those who furnished supplies during the late war, and have not been transferred; having this just claim, they will contribute with great reluctance to the payment of the creditors of the United States, if they are unprovided for; they will view them with a

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jealous eye, as wresting from them what they have long been accustomed to consider as their own.

There is another argument, which I admit ought to have its weight; that is, the eventual operation of this system, and its immediate effects. I can answer for Pennsylvania, that it would be unfavorable to that State, because she has contributed her full proportion of the expense of the war, and has since redeemed more of her debt than any other State perhaps had the capacity to do. She owes but a small proportion of what the State debt is calculated to be; much less, I believe, than what the Secretary has supposed; but if the debts are assumed, I believe more will be collected from the State in the additional duty than the interest on the debt she owes. Her debt is supposed to be two millions two hundred thousand dollars, on which she is paying an interest of six per cent.; this amounts to one hundred and thirty-two thousand of dollars annually. The aggregate of the State debts is supposed to be twenty-five millions; the proportion to be paid by Pennsylvania, one-seventh of which, at four per cent., the rate proposed by the Secretary, will amount to one hundred and forty-three thousand dollars; moreover, Pennsylvania will have to account eventually with the United States, for the premiums given to induce the reduction of interest; so that in the end her contribution will be much larger than if she continued to pay her own creditors. I hope, however, whatever inequalities may arise, in the first instance, they will, on the final adjustment of accounts, be done away and corrected; retribution must at last be made, and it is under this idea that I agree to the proposition now before you.

There is another reason, which also induces me to agree to the assumption. Every gentleman must believe, when we consider the nature of the domestic debt, and the manner in which it was contracted, that by far the greatest part of it is in the hands of the citizens who reside near the centre of the Union. If we confine our revenue to this part alone, we must draw considerable sums from the extremes of the Union; and what inducements do you hold out to the citizens at those extremities to co-operate with you in the faithful collection of money, to be sent out of their country? On the other hand, as the greatest part of the State debts are owing by the States at the extremity of the Union, if they are assumed, the money which is collected in those parts will be retained, in order to pay the interest due on their State debt; by which means the beneficial effects of the funding system will be more generally and equally felt throughout every part of the Union.

MR. SMITH, (of S. C.)—I admit the importance of the present question; but I cannot permit myself to doubt but Congress will decide it upon the principles of honesty and justice. Nothing can appear to me to be more clear, than that a State debt being incurred in the common defence, should be made a common burthen;

we should consider ourselves as settling the affairs of a great family, and be studious to equalise the task necessary to be borne by every one.

My colleague has properly stated the great sufferings and hardships of the country from which we come; but he might have added, that our State had it in her power to discharge the debt she had incurred. The confiscated property would have brought into her Treasury three times the sum she owed; but in consequence of the recommendation of Congress, they remitted the greatest part of the estates in that predicament. If, therefore, in consequence of an act of Congress, the State disabled herself from discharging the debts she owed, it is the duty of Congress to assist her now; but it was an adventitious thing that the State incurred the debt, because the demands were really against the Continent; but the Continent being unable to pay, and the State desirous of giving every assistance in her power, assumed those demands, and made herself liable to the payment; but now a Government being formed, possessed of sufficient resources, it ought to take back the debts really due by it, though assumed by the States for the support of the national credit. I conceive the situation of the State Governments to be the same as if a person had accepted a bill for the honor of the drawer, to preserve his reputation, but with a design that the drawer should ultimately pay it. The demand of the creditor arose from services or supplies for Continental purposes; but the State agreed to stand in the place of the Continent, till the Continent should be able to pay it. When it is examined, it will be found that a great part of the debt of South Carolina was incurred in this manner. Our State debt is very considerable in consequence, and every possible exertion has been made to reduce it, as well as to pay the interest. The State issued indents, in payment of the interest, making them receivable in payment of duties. This gave them a circulation, and kept up their value remarkably well; in 1784 and 1785, they depreciated only twelve or thirteen per cent.; but the distress of that State has been such, since that time, with the expense and ruin of the war, the great load of private debts, and some other causes, that these securities have amazingly depreciated; and at the last session of the Legislature, such was the sense of their exhausted state, and of the obligation which Congress lay under to assume the debts contracted for Continental purposes, that they made no provision for them.

I wish to be indulged in a remark upon one observation. It seems to be admitted, by every gentleman, that ultimately this measure ought to take place; but some say not at present. We have been told that a great part of the Continental debt has been purchased up by the speculators, who will, by the funding system, reap all the profit, while the poor men, who were original creditors, are obliged to go unre-

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warded. If we postpone this business, I fear that the State debts will find their way into the same channel, and then, perhaps, we may have the same claim set up, for repaying to them the difference between the nominal value and what they may sell for. If gentlemen are desirous of putting a stop to speculation, assume the State debts, and their original holders may be induced to retain them in their hands.

The honorable gentleman from Maryland (Mr. STONE) has said a great deal about the States refusing to give their assent to the measure. I do not know what the States, as States, have to do in the business; beside, if I recollect rightly that gentleman was opposed, at the last session, to admit of instructions from the people, or the States; why is he now so desirous of their advice? The creditor of the State, I presume, cannot be compelled to receive his money of the State, if he chooses to transfer it into other hands: if he thinks it best to apply to the Continent for payment, the State cannot prevent him. He asks you, likewise, what is to be done if an individual declines to subscribe? Is the State to go on and levy taxes to pay him? I answer no; let the State pay him his demand, and then stand in his shoes and receive his demand from the Continent.

He has said, we may be wise politicians, but we are bold ones for going on so fast, without further information than what we derive from the officers of the Government, and among ourselves. Sir, I believe it is a very good way to come at information to attend to the debates on this floor; I conceive more information is to be obtained here than in any other place in the United States. Gentlemen rise one by one, and give us their opinion of the sense of their constituents, and a narrative of facts, which throws sufficient light on our path, to guide us without waiting to acquire a broken and uncertain clew; but I have not seen any thing like hurry in this business. We have hitherto proceeded with great deliberation, and I presume it is not the wish of any honorable gentleman to hurry on with boldness or rashness to the decision of the present question; so that the charge of these honorable gentlemen is totally unfounded.

Mr. GERRY thought the welfare of the community, in a high degree, involved in the present question; and, therefore, hoped it would be considered with attention, and decided upon the purest principles of justice and good policy.

It has been said, that Congress have no power to assume the State debts. This leads us to an inquiry into the power of Congress, and by referring to the constitution, we find that Congress are authorized to lay and collect taxes, &c. to pay the debts, and provide for the common defence and general welfare of the United States. If Congress have the power to pay debts, they have an implied right to examine what those debts are, and if they have been contracted for the common defence there is no doubt but they are the debts of the United

States; but supposing Congress unauthorized by the powers cited, they are, by the general clause, giving to Congress powers to make all laws necessary and proper for carrying into execution all the powers of the Constitution, or of any department or officer under it, fully authorized to judge of and determine the debts of the United States.

In order, then, to determine whether the debts of the States are the debts of the United States, let us consider who are the holders of the State certificates. Some of the State creditors were officers and soldiers of the late army. The first army of the United States was raised, armed, and clothed by the States. The officers and soldiers thereof have as strong a claim on your justice for the money due them, as those who were established at the close of the war. They will not acknowledge any difference, from their being enlisted by a State instead of Continental authority; yet that is the only distinction, for they were adopted by Congress, formed into one army, fought the same battles, and shared in every hardship. Another part of the State creditors consists of men who furnished supplies for the Union during the late war. Most of them are of this class, and can any one, who recollects this circumstance, possibly imagine a difference between them and what are called Continental creditors? Part of the State debts were Continental debts, assumed by the States on the earnest recommendations of Congress. And other parts were occasioned by the States having undertaken, for their particular defence, expeditions against the common enemy, or having paid interest to their citizens on the Continental debt.

Gentlemen who reflect on the nature of the State Governments must be satisfied that it is impossible they should have incurred such immense debts on account of their civil lists and local institutions. On the contrary, it must be admitted, that every State has, by taxes and duties collected more than was sufficient to defray its own expenses; the surplus has been invariably applied to the discharge of the interest, or extinguishment of the principal debt incurred during the late war for general defence. Hence it must appear, that the debts now due by any State to its creditors are less than the aggregate of her demands against the Union. If, therefore, we assume the whole of their debts, we shall find they have still large demands against the Union.

Let us suppose, as stated by the gentleman from Maryland, that some of the State creditors will subscribe to the loan, and that others will not; where is the force of the objection? Let the State receive of the General Government interest for the unsubscribed part, and pay it to the non-subscribing creditors; but there is little doubt that every creditor will subscribe.

It was said the measure would raise the importance of the Union, and tend to depress the States. If it had that tendency I should oppose it; because I conceive that the Constitu-

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tional balance between the Union and States ought to be preserved. I view the constitutions of the United States and individual States as forming a great political machine, in which the small wheels are as essential as the large; and if the former are deranged, the system must be destroyed. I humbly conceive a contrary policy will have this effect; for, suppose the United States should refuse to assume the State debts, there is no doubt but Congress can make provision for the punctual payment of the holders of Continental certificates; but it is questionable whether the States can, each of them, make provision for their respective creditors; in case of their inability it will produce a clamor against them. The State creditors will have a high opinion of the honesty, integrity, and abilities of the General Government, while they will entertain a contrary opinion with respect to the State Government. Every such creditor will exert himself to support the former, and join in the clamor against the latter; they would allege that the State Governments were expensive and unjust; and it appears to me that the enemies of the State Governments would thus have a favorable opportunity, which their art and address would improve, to abolish the State constitutions. Should the National Government be disposed to depress the State Governments, I ask whether the States would not be better able to resist if they were clear of, than if encumbered with a debt? It is a common maxim, out of debt out of danger; but here gentlemen seem to reverse it, in debt out of danger. I cannot, therefore, agree with them.

I presume it is the wish of every gentleman to preserve the peace and harmony of the Union, and I submit to them, whether this effect is most likely to result from assuming or rejecting the State debts. If you reject the measure, you establish two contending parties, the Continental creditors, and State creditors. The latter will oppose every measure of the General Government, which they suppose is intended, in prejudice of themselves, to promote the interest of the former. It will sow discord among the citizens of the Union, tending to defeat the operation of both Federal and State Governments. From this I infer that a regard to the interest of the Continental creditors ought to induce us to agree to the assumption of the State debts; for the States, in making provision for their own creditors will be induced to extend their excise, as the only means of raising revenue, to all those articles which the General Government contemplates; hence will arise such clashing and interference as will involve both revenues in confusion, and defeat the collection. There is also danger that it might extend to injure the collection of impost; whereas a uniformity in the excise system would make it more productive, and tend to increase the impost also.

Some apprehension has been expressed that the State debts may not have been fairly liqui-

dated. I should think, from a knowledge of the economy of the States, that they were more strictly liquidated than the Federal debt. The creditors in Massachusetts have had their accounts adjusted on as strict principles as could be adopted; and I suppose the other States have acted in the same manner.

It was also said, that we were unacquainted with the ability of the Union, and therefore it is improper to pledge the public faith for the payment of a debt which possibly may exceed that ability. I do not now, nor did I ever despair of the ability of the United States to pay their debts. Our finances, to be sure, are deranged; but we are taking measures to extricate ourselves from the evils resulting from such a situation. We are not to be deterred from ascertaining the amount of what we owe, because we have not at present revenue to pay the whole interest. Under our present circumstances it appears, from the Secretary's Report, that we are capable of paying two-thirds of the interest. With increasing resources, and a gradual diminution of the capital, we may soon have it in our power to discharge the remainder. If we can now pay one half, or two-thirds, let us undertake it, and no more; because I would never subject this Government to a failure in its engagements; when our abilities increase, we can undertake what we are at this moment unable to perform. The Secretary goes on the principle of supporting the public contracts; he admits of no preference among the Continental creditors; and I shall be opposed to the giving any advantage to the injury of the State creditors. It will not be reasonable that a State should give up her resources for paying the interest on her debt, until her creditors are put on an equal footing with the Continental creditors; she requires this in justice, and asks nothing further.

I have no objection to the fullest discussion of this proposition when before us; but I think the present is not the proper time to consider it.

MR. LAWRENCE.—Much has already been said on this subject; but much, in my opinion, yet remains to be said; and, as the usual hour of adjournment has arrived, I will move you, sir, that the committee rise.

Whereupon the committee rose, and the House adjourned.

WEDNESDAY, February 24.

The bill for regulating the Post Office of the United States was read a second time, and committed to a Committee of the whole.

#### PUBLIC CREDIT.

The House again formed itself into a Committee of the whole on the report of the Secretary of the Treasury, Mr. BENSON in the chair.

The assumption of the State debts under consideration.

MR. STONE.—I did not suppose myself capable of perceiving all the advantages and disadvantages that may arise from this scheme; but

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were I capable, I should have candor enough to give all my ideas to the committee. I am not taking a side like counsel at the bar, but shall consider the arguments on the one side and on the other. I shall not criminate; but would, in general, observe, that I think those gentlemen do well who examine with candor each side of the question; and I hope this committee will be superior to a centenary conduct.

I do not wish to wait for positive instructions; nor could I have disobeyed such instructions if given, unless they were contrary to the principles of morality. God forbid that either myself or the gentleman from South Carolina should reject the opinion or instructions of our constituents; I should be mortified if I had expressed such an idea, or felt such a sentiment. It is true, I was against declaring, in the Constitution, that such should be binding, because it would affect the validity of the laws; they would no longer depend on having been passed as the Constitution directs; but their validity would depend on the proof of instructions. I never said the advice we should so receive would not convey light to this body.

I did think this measure not warranted by any clause in the Constitution. It has been urged that we can adopt what debts we please to say are for the general welfare; and, therefore, we may adopt the State debts. Now I admit that legally we may declare what are the debts of the United States; but not what shall be the debts of the United States. Congress can say that the State debts are the debts of the United States, if they choose to be guilty of that fallacy. If they say they are not the debts of the United States, but shall be, what is this done for—the general welfare? No; the particular welfare of the States exclusively benefited. If a State should involve herself in debt, can Congress assume the debt, and say it is for the general welfare? A State, according to that idea, might be bribed into obedience to the measures of the Federal Government; for a State might involve itself in debt, and, then, to free itself from the incumbrance, become troublesome, and leave it to the option of Congress to bribe her compliance by assuming the debt, or exert force; the former would generally be least expensive. I do not say that this will be the effect; but we know that things more strange have come to pass. Most indubitably we set a precedent that might warrant such practices; it is, at least, throwing out the bait; and consequently it would militate against the peace, happiness, and independency of this Government. I presume, as I conceived in the beginning, that the measure cannot be defended without taking it for granted that it is necessary, in order to support this Constitution, to carry its powers into operation as far as they will go. The gentleman from Connecticut says he cannot conceive, that as long as the Governments remain within the line of their duty, that which strengthens the United States will affect the strength of the State Governments. When

power is granted, in certain proportions, to two Governments, I cannot conceive the increase of the power of one in any other way than as a depression of the other, unless new authorities are derived to either from the abundant source of the people. But if we add to the strength, and extend the energy of the General Government, by the adoption of measures which the Constitution nowhere contemplates, you will destroy the balance of power which the Constitution distributed between the Government of the United States and the State Governments. Was it the intention of the framers of this Government, and does their work contain the idea that the Union should assume the debts of the particular States? Will it give the General Government a greater degree of power? I apprehend it may: if, then, it be a power not contemplated in the Constitution, is it not an assumed power? This deduction is clear to my mind.

I admitted the convenience of this mode of collecting duties, that it might be more easy and less expensive; but because that is the case, it does not follow that I am to give it my consent. It will be very convenient for the United States to pay the consolidated debt of the Union and particular States. The State Governments will get rid of a burthen; but afterwards the power of those Governments would not be very useful; it might, however, still continue necessary that the State Governments should exist; and existing, they must be some expense to the people. Suppose three or four thousand pounds annually should be sufficient to defray that expense, might it not be urged that the collection of even this small revenue was a baneful interference, and injuriously clashing with the collections of the General Government? And would it not be a good reason why the United States should pay to each of them a certain annual sum for their support, making them altogether dependent on Congress? After this, it might be found convenient to destroy the State Governments altogether—why not? The people having no use for them, would justly reduce them. Would it not be very convenient to have an universal Judiciary for the sake of uniformity, and from motives of economy? If you have a double Judiciary, it is almost impossible to avoid a clashing in their authorities. Why not sink the lesser in the greater? Perhaps gentlemen, in a little time, may think it very inconvenient to have such frequent elections; and the doctrine of convenience will extend the period to seven or ten years. The most convenient would be to elect a man for life, and suffer the Legislature afterwards to fill up the vacancies; by this means the people will be left to pursue their habits of industry; they will labor undisturbed with the cares of Government. Nay, for a people who have parted with their liberty, the most convenient Government is an arbitrary one. There ends your doctrine of convenience.

It has been proved that we shall come to this at last; that when the accounts of the United



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States are settled, all the debts which have been contracted for the general welfare will be credited to the several States, and cancelled by the United States; very true. He was right as far as his observation went, but in the full latitude it is not true; because all the debts contracted by the individual States were not for Continental purposes. It never can be true that we shall adopt all the State debts, authorized or unauthorized. If, in your settlement, you confine yourself to the admission of authorized debts, then the debt which you are hereafter to assume will extend no further than the authorized debt; so that it will not come to this at last—it will partly come to it.

It has been proved, that if this plan is carried into execution, it will probably produce injustice. I conceive we must do some injustice whether we adopt the scheme or not; because, if we do not adopt it, it is highly presumable that some States will have to bear a burthen beyond what is their proportion, compared with other States. Some others will, of a moral certainty, be creditors of the United States; when, if it were possible to get the accounts adjusted, they ought to have credit *instantly* for the balance due. Massachusetts, for example, may have undertaken two millions beyond her proportion; she ought to have credit accordingly; but it is impossible, because the accounts are not only not settled, but the ratio of apportionment is unknown. But if, on the contrary, you take the other alternative, you work injustice; you undertake to pay unauthorized as well as authorized debts: to pay States, having unauthorized debts, you levy taxes upon others that have no such claims. Suppose, for example, all the money that was expended in the Penobscot expedition be demanded under the assumption; and suppose that this is an unauthorized claim to a very considerable amount, will not the State of Massachusetts have credit for all that sum, although at a future liquidation it should appear that not a farthing was due to her for that or any other exertion? Will not this be doing injustice to every State, but those in this supposed situation?

You will know better, by and by, how far the proportion of your exertions was beyond that proportion of exertion which was your duty to perform. You will know where the expenditures exceeded the authority; but can you know it now? You neither know the proportion of any State, nor the unauthorized expense which individual States have gone into, and which was not gone into for the benefit of the United States. Hence it appears, in a certain latitude, the assertions are not true. Compare the scheme in justice, the result is this; you will be as nearly right in deciding as if you threw up for it.

Gentlemen should consider there were great disproportions in the exertions of the States; some were in the midst of the rage of war, and therefore their exertions were considerable. I am inclined to an opinion that these exertions, in

every part, like water sought their own level. When the war raged in Virginia, just before York and Gloucester were taken, the army was in want of necessities; Virginia was exhausted, and could not supply the necessary provisions; from this circumstance gentlemen might be led to believe that the exertions of Virginia were superior to those of Maryland; I do not believe it. On that memorable occasion, every thing we had was put within the power of the Government; the inhabitants were not left a spare blanket, a bushel of corn, or a single beef; but the consequence was the army was supplied; and from the answer of the commander-in-chief it appears that the subsequent success of our troops was bottomed on the exertions of Maryland. From circumstances of this kind I am induced to think, when you come to settle the accounts, you will find those States which were not the most exposed contributed their full proportion of supplies.

It has been said, that if we do not assume the debt, the States will be injured; a rebellion had arisen on account of the weight of taxes in Massachusetts; and South Carolina will be ruined. If we adopt the State debts, the States are to pay them; if we do not adopt the State debts, we shall not want their sources of revenue—shall we want direct taxes or excise if we do not assume? Those funds are employed by the States; unless we increase the Continental debt, by the assumption of the State debts, it will not be necessary to lay excise or internal taxes; and cannot a State, which has made those superior exertions, by these sources of revenue, continue to satisfy their creditors till the accounts are settled, for gentlemen think this event may take place in twelve or eighteen months; and the Secretary in his scheme does not contemplate making actual provision before that period? They will then receive the amount which they suppose themselves entitled to. I cannot conceive that any State debts can be so great but the interest can be provided for them; indeed, if the creditors are not left to feel the whole of this burthen till the accounts are settled, they must be provided for by the States until the year 1792. If this provision is made by internal taxation, it will not interfere with the Continental regulations; nor will there be the war or clashing which gentlemen dwell so much upon. There may be some jealousy, if Congress were to extend their power to the collection of direct taxes; because it is satisfactorily true that a State internally can make greater exertions in direct taxation than a Continent can; I believe the proportion will hold from five members of society to the world. I believe, as you diminish the extent of Empires or States, the proportion of taxes raised by their exertions is increased. If the State of Maryland had one part of the debt, she could provide for that part by internal taxation; and collect the tax with more certainty than the Continent could collect the whole.

I hope the several States are not very fond

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of funding schemes. If we do not trammel them with one, they will make every exertion to get out of debt; and those States which think they have the greatest proportion due to them from the Union will expedite the settlement of the public accounts. It would be their interest, and the sensations of uneasiness and distrust would propel the measure irresistibly until it was accomplished. But, suppose we assume the State debts, and enter into a funding scheme, (if we do the first, perhaps the second is an inevitable consequence) with the means of paying off little capital; I think from that day, the liberation of the revenue, and the desire to settle the general accounts, would be lost sight of. Every State paying only an impost and excise would not feel an impulse to action. Nobody would any longer be deeply interested to have the accounts adjusted. No exertions would be made either by individuals or by States to have either the principal paid off, or the accounts settled. It is an easy scheme to hang about our necks incumbrance and injustice, and to extinguish desires, which, when they cease to exist, there will be an end to the security we ought to have for the preservation of our liberty and independence.

A gentleman from Pennsylvania (Mr. FITZSIMONS) is in favor of the scheme, because he thinks it calculated to increase the circulation of money at the extremes of the Union. I think the effect would be just the reverse; but I will not enter into a contention on this point, because I am not clear that I fully comprehend it; however, I will venture to conjecture that the cities of Boston, New York, Philadelphia, and Baltimore, will in general be in favor of the scheme. If we assume the State debts, and our arrangements are carried on through the medium of the banks, the general trading towns having credit by this means, and knowing how to negotiate, will collect wealth; but that it should throw it off to the extremities, appears to me very improbable. It seems rather as a means to collect the blood to the heart, from whence it would retire but slowly to the extremities.

It has been said that the creditors would be obliged to subscribe to your loan. If this assertion be true, it is an objection to the scheme; if you force them, the creditors of some States will be obliged to subject themselves to inconvenience and injustice. The State of Maryland sold upwards of £200,000 British property; it was bought on the faith of Government, receiving certificates for the amount. If this plan be adopted, you take out of circulation all the State certificates, and there will be nothing in which the purchasers can comply with their contract. What is the State to do? They will be found to make laws that the Continental paper shall be taken in payment. Then this may operate justly or unjustly, according to the situation of the two papers. If the State paper is more easily obtained than the Continental paper, the purchaser would pay more than he

contracted for. If, on the contrary, the State paper is higher, you make the State debtors pay in a less valuable paper than they ought. In short, you break the contract between the State and the creditors.

I will only add one word more: I admit a dollar is worth as much in Pennsylvania as in Maryland; but a dollar is a piece of silver of known value, very different from a piece of paper. The dollar will be always the same, the paper will vary. I cannot say what is the cause of the difference in the value of the paper of Pennsylvania and Maryland; perhaps the funds of the former may be lessened by smuggling; or the public opinion in Pennsylvania may not deem the funds so secure as those arising from the sale of British property are by the citizens of Maryland. So far from being surprised that the certificates of Maryland are at sixteen shillings in the pound, we are only surprised that they depreciate at all; because, on every principle, they are better than any man's bond.

Mr. BURKE had yesterday expressed a wish that the business should be postponed, because he had not full information; but since then he was so well convinced that it was the interest of South Carolina to have the State debts assumed, that he should withdraw his opposition to its immediate progress. The debt which she owed was contracted for the good of the Union; and the Union is bound, on every principle of honor and justice, to pay it. South Carolina had supported it as long as she was able; but now her impost was taken away, she was totally unable. Could that State have foreseen that it was doubted whether her debt should be assumed, I do not believe she would have come into the Union without an express stipulation for that purpose. I had some apprehensions it would injure the importance of the State Governments; but it is now too late to think of that; the evil is too firmly planted in the soil to be removed by any thing we can do. It will, I know, tend to injure those who purchased forfeited estates, because the certificates will rise in value. Another disagreeable circumstance is, that it will make the fortunes of speculators; it hurts my feelings that we cannot prevent it. Another circumstance is, that the exiles, whose property was confiscated and sold, were allowed the amount; these men will be enriched, as their estates were sold for a large nominal sum in indents, which will now be paid in good paper; but notwithstanding all this, I will support the measure, because it is just and politic.

Mr. SEDEWICK said, he rose with great diffidence and considerable reluctance, to express his opinion on this important subject; a subject on the just determination of which depended, in his opinion, the future happiness and welfare of this country. His reluctance was founded in the consciousness, that many gentlemen considered Massachusetts as having a very particular interest in the decision; but as other gentlemen had dwelt on the circumstances and in-

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terests of the States they represented, he should presume to follow their example; because, by pursuing this course, there would be exhibited to the view and contemplation of the committee, a pretty just picture of the States, as related to the present subject of deliberation.

He declared that he had been long and intimately acquainted with the people of Massachusetts; he believed that there never existed a people more disposed to submit to good government, nor more confirmed in virtuous and industrious habits; that he had suffered the inexpressible pain of seeing this people in arms against their own Government, a Government administered by men annually chosen by themselves; that the cause of this insurrection was the oppression under which the citizens groaned, from the imposition of taxes to satisfy the public creditors, for a debt incurred merely for national purposes; that this debt was created with the utmost economy; that the Government, in the imposition of taxes, was influenced by the most virtuous motives of making compensation to that meritorious class of citizens, on whose exertions and services the liberties of the country had depended in an hour of danger; that from our circumstances, and the nature of our Government, the State Legislatures, by whom these debts were contracted, were, in fact, and ought now to be considered, as the national agents; that, therefore, the creditors of the States had a claim on the honor and justice of Congress, which would be violated if their demands should be unprovided for.

The assumption had been objected to, because it might tend to produce a consolidation of the powers of Government, by a destruction of the popularity and energy of the State Governments. In answer to this, it was observed, that no member of the committee would entertain the anti-national idea of the continuance of the present inequality of burthens in the several States; that all men of intelligence contemplated an adjustment of the claims of the individual States, as a thing indispensable to the preservation of our Union; that whenever that desirable object was obtained, the State debts, which were the claims of the individual States, must be annihilated; that, therefore, the evil contemplated, if it was such, must eventually take place.

He observed, however, that he had never been a proselyte to the doctrine that the State debts were a necessary engine to the existence of the energy or popularity of the State Governments; that, in his mind, it was a strange and unfounded assertion, that the possession of the affectionate regard of the people, by a Government, depended on the necessity of imposing grievous burthens; that it was true, the State Governments were in the possession and exercise of almost all those powers by which Government is endeared to man. They afford protection and give security to life, liberty, and property; punish offences injurious to society, and give to individuals a redress for injuries which they suffered. They operate,

therefore, only in acts of beneficence, except in the imposition of taxes, which had been very absurdly considered as the foundation of their importance and popularity.

He said that the discussion of the proposition before the committee necessarily involved two questions—

1st. Is Congress, by the principles of the Constitution, authorized to assume the debts?

2d. Supposing the power to exist, does prudence, policy, and justice, dictate the proposed measure?

With regard to the first of these questions, it should be observed that Congress, by the Constitution, is authorized to levy money in all instances where, in their opinion, the expenditure shall be for the "general welfare;" an answer, therefore, to the second of these questions would depend on the decision of the first: if prudence, policy, and justice dictated the assumption of the State debts it must be for the general welfare that they should be assumed.

Let it then be inquired for what purposes were these debts contracted? The true answer is known to all, to secure the peace, liberty, and independence of the United States. Can it want demonstration, that an expense incurred for a joint benefit should be a general charge on all, in proportion to their respective abilities? By the principles of our Constitution, the removal of the inequality arising from our former situation, which was so severely felt, and from the continuance of which such enormous mischiefs were apprehended, is one of the most important improvements in our national system. If this equality of burthen in a common cause, and for the support of a joint interest, is equitable, and that it is, to my mind is self-evident, will it not unquestionably follow, that the proposition now under consideration should be adopted?

To this he observed, it might be objected that, by the settlement of the accounts of the individual States with the United States, the purposes he wished would be obtained.

He answered, that the assumption of the State debts would facilitate the settlement of those accounts; and, indeed, remove almost all obstacles in the execution of that arduous business. For although a State, after the assumption takes place, may be in such circumstances as to have no particular benefit resulting from an ultimate adjustment of the accounts, yet it can have no strong motive to oppose it. But that, independent of the assumption, there are so many difficulties to be surmounted, as to render the event, if not wholly impracticable, at least highly improbable. He remarked, that as yet no ratio was provided for the apportionment of the expenses of the war. To obtain this, one of two modes might be adopted. First, either an arbitrary determination of the Legislature; or, second, by a like determination by Commissioners, who should be appointed with plenary power for that purpose. He considered this determination arbitrary, because there were no constitutional data from which the ra-

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tio could be formed; that whether the one or the other mode should be eventually adopted, it was against every calculation of probability that it would afford universal satisfaction. Here, then, in the commencement of this business, will exist a cause of dissatisfaction; whereas the tranquil accomplishment of it will require the most cordial good will and confidence among all the parties concerned. But suppose the ratio provided, and suppose further, the debts and credits of the several States ascertained, the insurmountable obstacle then occurs, how shall those balances be adjusted? Here three modes of administering justice, for the extraordinary exertions of particular States, are to be considered: First, by an assumption, in a manner similar to the one now proposed; second, by some kind of compulsion to be administered to the delinquent States; and, third, by a voluntary contribution to the States most in advance, either by the General Government, or by the individual States which were comparatively in arrear.

He conceived it must be obvious, from the contemplation of the subject, that if the assumption was ever to take place, now was the proper time; that he believed no gentleman would seriously contemplate the execution of justice in any visionary schemes of compulsion. If, then, we are apt to abandon the proposition now before the committee for an assumption; if we cannot expect by compulsion to do what justice so loudly demands, it is of the utmost importance deliberately and candidly to consider, whether we can reasonably expect the event we ought to wish from voluntary contribution.

From our own experience, and that of others, could we even guess what measures would be adopted by a Government under any given circumstances? In the successful struggle of the United Netherlands against the tyranny of the Spanish Monarch, the necessary supplies had been very unequally furnished by the several States; those States which made the most extraordinary exertions had never been able to obtain any just compensation.

He observed, that the unfortunate transaction which was denominated the Penobscot expedition had been repeatedly mentioned; he would, therefore, take the liberty to declare, as his opinion, that, from that circumstance alone, a strong argument was afforded in favor of the proposition under consideration. He would not at present wish to be understood, in expressing the sentiments of his constituents on this subject, to declare his own. Language of the following import was, however, the language of well informed men of the State he had the honor to represent. "We have already experienced what just dependence may be placed on national engagements, when a performance depends alone on a cool and inoperative sense of honor or duty. The citizens of Massachusetts have, during the war, by an unparalleled exertion and spirit of enterprise, created a navy, which was

necessary for the protection of her commerce and her extended sea-coast. This navy, in a single day, was demolished in an unsuccessful attempt to repel an invasion of her territory by the public enemy. Yet, although the payment of such expenses was expressly provided for by the terms on which we were then united, every application for justice hath hitherto been ineffectual."

On the other hand there were not wanting, perhaps, in each of the States, respectable and influential men, who considered this claim of Massachusetts as not only an unfounded, but an audacious demand; that this demand would ultimately either be allowed or rejected; if the latter, it would operate in that State as a cause against voluntary contribution; if the former, it would tend to have the same effect, perhaps, in every other State.

He further observed, that the extra expense of Massachusetts in raising men for the general defence, and what she and her citizens had lost by the old money, was equal to all the debt she now owes; that other States had pretensions which appeared to them to be equally well founded. Supposing "that in the ultimate settlement, justice should be done to all, will not the prejudices resulting from self interest, and the expectations created by them be disappointed? Have not the citizens of America been taught to believe, and do they not, in fact, suppose that the States to which they belong are in advance greatly beyond their respective proportions? Can it be imagined that perfect confidence will exist, and the public mind remain in a state of tranquillity, when its ardent hopes and expectations are disappointed? Will not a general belief, unfavorable to the honor and integrity of the Government prevail? And can it be believed that the energy of our Government, or its existence to any valuable purpose, can remain under the operation of jealousy and distrust?"

He declared, that he verily believed an honest and equitable settlement, submitted to and discharged, would operate greatly in favor of Massachusetts; and he supposed other gentlemen entertained the same opinion of the States to which they belonged; but when it is remembered that the accounts must be settled by men disinterested as belonging to some of the States, he believed, should their ultimate decisions be certainly right, should it even be dictated by the spirit of inspiration, the energy of the same spirit would be necessary to induce a submission and acquiescence through the United States. Now, then, he concluded, was the time, with that magnanimity and spirit of concession which would be so honorable to ourselves and beneficial to our country, forever to banish the causes of jealousy and distrust.

He observed, that upon this occasion it would well become the committee to reflect on the causes which had produced a difference in the relative magnitude of the State debts; they were,

1st. A difference of exertion.

2d. A difference resulting from the avails derived to particular States from confiscated property and territorial acquisitions.

With regard to the first, it would not be urged as a reason against an assumption; because it was a strong and an unanswerable argument in its favor; for no one would venture to assert, that the States which had exhibited the highest evidence of patriotism, should suffer beyond their neighbors, who had less painfully struggled for freedom.

With regard to the other cause of difference, (confiscated property,) he requested gentlemen to reflect upon the influence it would have on voluntary contribution, in instances where it might have produced considerable effects. On principles of justice, will gentlemen whose States have derived a benefit from this source, permit me to inquire into the origin of their right? Against whom did the citizens of New York offend, who adhered to the public enemy? Undoubtedly against United America. If, by such conduct, he justly forfeited his property, to whom should the benefit of that forfeiture accrue? To the General Government, who possessed the rights of treaty, of peace, and of war. Yet New York, who, in the instance supposed, received the whole advantage, neither commenced, prosecuted, nor concluded the war, nor had the power to do either.

Again, with regard to territorial acquisitions, he asked by whose exertions were those acquisitions made? By those of the individual States? No; but by the national force, and under national direction. He added, that although the property thus acquired, being in pursuance of the existing compact, should be held sacred; yet he wished gentlemen seriously to reflect, whether it was in human nature voluntarily to contribute to perpetuate an inequality arising from those sources. On the whole, he concluded that, independent of the assumption, there was no reason to expect a liquidation of the demands of the States, and without the latter he should despair of a continuance of the National Union.

There was another very important light in which the subject might be viewed; viz. the probable consequence which would flow from the mode or modes which might be adopted for the discharge of the State debts. If they are left on the shoulders of the State Legislatures, the citizens will be very unequally burthened to discharge demands which they will reasonably consider as unjust. This will create or continue invidious distinctions between States and their citizens. It will further promote a spirit of emigration among the States who suffer most, which will increase the load on those who shall remain behind, and, finally, render it intolerable.

There was, he remarked, an evil yet unmentioned, of a nature infinitely more malignant and dangerous. That principle of hostility, which, from this state of things, would be un-

avoidable, between the National and State Governments; for it was easy to foresee, that the sources of revenue over which the two kinds of Government had a concurrent right, would be seized on by each, to the oppression of the people and the discouragement of industry; that hence would ensue a war of Legislation, aided on each side by partizans, made active by the powerful incentives of self interest; for there would exist an obvious opposition of interest between the National and State creditors; that in such a state of confusion, the interest of both would probably be injured, and the very being of the Government brought into danger.

The States, for their own sakes, would put their debts on a footing as respectable as possible; to do this, they must have a recourse to direct taxes, and to duties of excise. The former would be found inadequate to the purpose, and carried on to any considerable degree, would be oppressive, unpopular, and might be dangerous. If excises were tried, the advantages of commerce would be rendered very unequal in different States; hence would arise a motive for transferring mercantile capitals from one State to another. And he asked, whether in this way there was any reasonable foundation to hope that we should become or continue one nation.

He further observed, that he supposed no one would imagine, by adopting a National Government, any additional ability, in regard to the collection of taxes, was given to the Government of the States; that it would be unnecessary to remind gentlemen, in how disgraceful a situation the securities of the States now were; fluctuating and shrinking from the grasp of the public creditor, they afforded only a profit and employment to an army of speculators, roaming from town to town, and from village to village, purchasing of the needy holder, in the moment of disappointment, when the market was low, to sell again when it rises.

On the other hand, the advantages of the opposite policy are manifest and certain. It will make this Government the centre of the wishes and affections of the country, and enable the Government richly to repay for these advantages, in the encouragement it will afford to industry, and to every useful improvement and occupation. It will terminate in the suppression of direct taxes; it will abolish invidious distinctions between States and their citizens; it will fix the value of State securities, and bring them into operation as a circulating medium; it will give opportunity to the States to attend to the improvement of their internal police, and will, more than any other measure I have contemplated, constitute us, in fact, a Nation—a great, a flourishing, and a happy people. He concluded by observing, that should any number of the States fund their debts, which at this time was attempted by some, the difficulties in the attainment of this desirable object would be greatly increased.

MR. MADISON observed on the measure, that the principle of it is in favor of the United

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States, so far as it may tend to bring about a final settlement and payment of all the accounts between the United States and the individual States. I believe this to be, however, a work of amazing difficulty, though not absolutely impossible. If it should be accomplished, it must go at least hand in hand with the Secretary's plan; and if it can be accomplished, it will do more honor to the revolution in our Government than almost any other measure.

I acknowledge that I cannot subscribe to all the reasons which some gentlemen urge. I am far from thinking that the assumption of the State debts will be the means of keeping the debts dispersed throughout the States. The assumption of those debts will give them, immediately, the character of debts of the United States; they will be embarked in the same bottom; they will take the same course, and, of consequence, will arrive at the same place where it is acknowledged the domestic debts of the United States, by degrees, has assembled. Whether they will remain in this place, or flow out of the United States altogether, is a question which time will decide. I look for such a revolution of the debt as will place the greatest part of it in foreign hands.

Neither do I subscribe to the opinion of the gentleman from Maryland, (Mr. STONE) that the United States can raise more revenue by the exercise of a sole authority, than by the concurrent operation of the General and State Governments. There are, I conceive, objects of taxation of three kinds: The first is, that which can only be operated upon by the United States; the second, which can be operated upon by the United States and individual States jointly; and, in the last place, such as can be best operated upon by the individual States only. An impost or excise can be best regulated by the sole authority of the United States. Some taxes can be collected by the two Governments without any interference: the land tax generally falls under this description; but in some particular cases, the local authority alone can make the proper provision. I conclude, therefore, that the authority of the United States and individual States, taken together, will draw more revenue than either can separately draw from the same sources.

But if we can accomplish the great object of doing full justice in so complicated a case, perhaps it will reward us for all the difficulties and sacrifices we shall be compelled to make; but, in order to accomplish it, we must go much further than the object of the proposition on the table.

Some gentlemen have made the passage of this resolution a condition of providing for the acknowledged debt of the United States. I think this a preposterous condition, and a language improper to be held, after the decision which has taken place. In priority of time and obligation, we ought to provide for the acknowledged debt. Before we determine to enter into a new obligation, we should see how far we

are able to discharge those positively due by us. The connexion between these resolutions is not such as to require or justify the condition. The plan of the Secretary draws a distinction between the two debts.

If we are to make a common stock of the debts of the States, not yet discharged, it can only be justified by securing provision for those which are discharged; with this view, therefore, I will now move to add to the resolution these words: "that effectual provision be, at the same time, made for liquidating and crediting, to the States, the whole of their expenditures during the war, as the same hath been or may be stated for the purpose: and, in such liquidation, the best evidence shall be received that the nature of the case will permit."

It may be said, that this is a superfluous condition; because there is a Board in existence charged with the trust; but sir, their power does not reach the great object contemplated. The limitation act has already barred a great number of equitable claims of one State; perhaps there are other States in the same predicament. I do not know whether the power of the Board has a latitude sufficient to receive such evidence as the nature of the case will permit; and if adequate provision is not made on this head, a great deal more injustice will be done than by a refusal to assume the State debts.

I hope I shall be excused for connecting these provisions; because I think it impossible to separate them, in justice or propriety. If, by providing for the first, we can secure a provision for the last, we may do great honor to the councils of America, and establish its character for equity and justice. If we do not wish to decide precipitately on the question, I shall be content to delay it; and perhaps gentlemen may be impressed with the propriety of doing so till they take a view of the funds which are in contemplation, and see how effective and adequate they are likely to prove.

Mr. WHITE's idea was, that the assumption should not take place until the settlement had taken place.

Mr. MADISON only wished to lay down general principles, in the manner the other resolutions did, so as not to let the final settlement depend upon any subsequent provision of Congress; the particular regulations might be detailed whenever the subject was thrown into the form of a bill.

Mr. LAWRENCE wished to know if the proposition was intended to open the door to receive the claims of the States, or whether it was to be so extensive as to allow every person to exhibit his claim who had been already excluded, and support it with the best evidence the nature of the case would permit; because this information would guide his decision on the question. If it related to the first, he presumed they ought to be governed on some liberal principle in the final settlement of accounts, which would ultimately give satisfaction to every State in the Union.



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Mr. MADISON had in view to allow claims already settled by the States a further time to be exhibited. Virginia had been abridged of some just claims, by the act of limitation; he wished, therefore, to permit them, and all others in a like situation, to be brought forward and credited on the same principles, as adopted by the old Congress.

He also thought that the assumption of the unpaid State debts was inseparably connected with those that were discharged by the States. If this is not done, what is the consequence? The citizens of a State will be burthened in proportion as their State has made exertions to discharge its obligations; for instance, if one State had paid the whole of her debt, and another paid none, if you assume the unpaid without the paid, the State which has already paid off what it owed will be burthened to pay the debts of the other. No doubt we shall be governed by principles of equity in making our final settlement; but, in the interim, we should sustain an unequal and unjust burthen.

Mr. SHERMAN.—The liquidation of accounts between the United States and the particular States, has been settled by the former Congress on the most mature deliberation, and fullest information, on principles, that it was supposed, would admit every proper charge; the Commissioners have authority to exercise their discretion on every claim that comes before them. He thought this sufficient, and was of opinion, that every claim, not allowed by them, should be lost, unless something very special was offered.

Mr. SEDGWICK was sorry to see any thing connected with the proposition, which he conceived ought to stand upon its own bottom: he had no objection to make the fullest provision for the speedy settlement of the accounts, if any thing further was necessary; but he thought it unadvisable to connect it with the proposition of assumption, because it might tend to embarrass that question. He would pledge himself to co-operate with the gentleman in effecting his object, in any other way.

Mr. MADISON was sorry that gentlemen considered it as an embarrassment. He had nothing of that kind in view: but he thought it essential, in order to secure justice to those States, in the situation he had before mentioned, that the plan should be enlarged, and modified, as he had suggested.

Mr. FRIZZMONS.—I am of opinion that the State debts ought to be assumed; but I look upon it to be immaterial, whether provision be at this time made or not, because the payment of interest thereupon is not intended to commence immediately.

The provision for the final settlement of accounts I deem perfectly consistent with the assumption, and I wish gentlemen not to show too much jealousy on that point; for I declare, for myself, I never would consent to the assumption, without I was satisfied that the accounts would be finally adjusted, and, in the

end, that complete justice would be done. I endeavored, when I was up before, to state the injury that must, in the interim, be felt by those States that have made the greatest exertion since the war to extinguish their debts; it is presumable that Massachusetts and Pennsylvania ought to have contributed to the expense of the late war in an equal ratio. The claim of Pennsylvania against the Union is as great as Massachusetts; she engaged to pay as much on the general account; but by her exertions, she has reduced her debt to less than two millions of dollars, while the State of Massachusetts still owes five millions, and upward: now so long as Pennsylvania shall continue, in consequence of the assumption, to bear the undue proportion she acquires, injustice will be done; if she was not soon to have credit for this, as well as all her other exertions, on an adjustment of the accounts, no member from that State could agree to the sacrifice.

The committee now rose. The House adjourned.

THURSDAY, February 25.

Mr. BOUDINOT, from the committee to whom the bill for securing the copy-right of books to authors and proprietors was re-committed, presented an amendatory bill for the encouragement of learning, by securing the copies of maps, charts, books and other writings, to the authors and proprietors, which was read the first time.

PUBLIC CREDIT.

The House again went into a committee on the report of the Secretary of the Treasury, Mr. BENSON in the chair.

Mr. MADISON'S amendment making provision for the final settlement of account between the States and the United States, being under consideration.

Mr. HUNTINGTON.—The resolution is intended to authorize the admission of the best evidence the case will admit. Every body knows that to be a common law rule, it is not necessary then to pass a statute for the purpose. If there is any object to which the amendment is meant to be directed, I presume it is to make provision in cases where there is not sufficient evidence to establish the claim, such as by the loss of vouchers in time of war, or other accidents. Now if vouchers are not produced, I presume the next best will be parole evidence; but as all accounts hitherto have been settled upon other kind of evidence, and perhaps, considerable sums, in some accounts, rejected for want of vouchers, it is probable a great degree of injustice will arise, or we shall be obliged to unhinge the whole of the settlements that have taken place. This ought to be carefully avoided; though, if there be any special cases, I shall have no objection to make special provision therefor.

Mr. WHITE said, he felt himself rather in a disagreeable situation when he rose to oppose a

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proposition which was countenanced by so many respectable patrons. He thought the original proposition on the table would, however, be less exceptionable, by the adoption of the amendment proposed by his colleague (Mr. MADISON) because it would remove some of the difficulties that otherwise would result from it.

In stating his objections, he remarked, that if he understood the meaning and force of the proposition, it would have this effect; that the States who have made exertions, and nearly paid the whole of their proportion of their Federal debt, should, notwithstanding, contribute to the payment of the delinquencies of others. This appeared to him to be unjust. To have a right view of the matter, none of the States could properly be considered as creditors of the Union, unless they had contributed in a greater degree than was required of them, in proportion to their wealth and number of citizens. To illustrate this argument, he would suppose that the proportion of the expense for Massachusetts and Virginia, should each be ten millions; then, if Massachusetts shall advance fifteen millions, she would have a credit for five millions; whereas, if Virginia should have advanced no more than ten millions, she would have paid no more than her just proportion, and could have no demand on the Union. Again, if she advanced no more than eight millions, she would owe two millions, which Congress could not assume to pay without injury to the other. He, therefore, thought it just that whatever sum might appear on the liquidation of the account, to have been advanced by a State beyond its equal proportion, that that should be assumed by the Union, and no other. He had also an objection to the amendment, by which a door was to be opened for all claims; this might induce the States to bring forward claims whereby the public debt might be unduly increased; for the States generally thinking themselves creditors, it would create a jealousy, and there would be a general searching for and admitting of claims, to the great injury of the Union; this inconvenience, he thought, would result.

Other inconveniences might proceed from this circumstance. In some of the States the creditors might refuse to accept the proposal; he thought this would be the case in Virginia, because, in that State, their debts were well funded at six per cent. and the interest regularly paid. Supposing this event to take place, what would be the consequence? The State of Virginia would have to levy taxes to pay this interest, and at the same time to contribute to pay that of other States; difficulties might arise on this ground that to him appeared serious.

It seemed to be the intention of the committee to fund all the debt, and to make no arrangement for the discharge thereof; this, he said, he could not approve of. Perpetuating a public debt he did not conceive advantageous to any country.

Gentlemen appear dazzled with the splendor

of Great Britain, supposing that her prosperity is owing to her debts; but the reverse is the case, it was her peculiar circumstances that enabled her to support her debts; her wealth and power were owing to the spirit and industry of her inhabitants; to her natural advantages of soil, climate, and situation; and to the great security of property under a free Constitution; that, however, were he an Englishman, he would tremble for the event; sure he was, that at some future period, the nation must sink under the weight of its debt, or it must be wiped out with a sponge to the ruin of thousands.

The same consequences might follow the perpetuation of the debt in these States, though the period might be more remote. If these States were left to themselves, they might pursue measures to extinguish the debts; this was an object desirable to be accomplished.

The State of Virginia, he knew, had extinguished more than two millions of dollars of her public debt; but Virginia was not alone, there were other States, he believed, that had also effected a considerable diminution of their debts.

It had been urged as an argument in favor of the measure, that unless these debts were assumed, that some of the States would be induced to lay excises, and thereby put it out of the power of the Government to raise money from that source; but the excise and impost would not do. No adequate provision for the payment of the interest could be drawn from these sources. The Secretary had proposed to raise the duty on various articles; but his calculations did not extend to a provision for the State debts, he had only contemplated those of the Union. How, then, are the State debts to be provided for? Would Congress levy a land tax? As to raising the imposts, it was a measure he dreaded; as the duties now stood, he believed there were no attempts to evade them by smuggling; but if they were raised, the reverse would take place; and if the people once became habituated to smuggling, it would be impossible, at any future day, to reform them, even by lowering the duties. With respect to direct taxes, he wished the committee to consider how that would be relished throughout the Union; he thought it would be contrary to the general sense of the people. When they accepted the Constitution, it is true, they knew it contained a power to levy taxes; but it was not expected that this power would be exercised in the present situation of the country. It would lessen the influence of the States, they would be reduced to a degree lower than they should be, while, at the same time, the General Government would be elevated on their ruin. This would be unjust and impolitic; the freedom and happiness of America depended as essentially on the State Governments as the General Government, perhaps more so. It was an interference between a State and its citizens, and attaching them to the General Government without the consent of the State.

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It has been said by the gentleman from New York, that it was easier for one body to draw forth the resources of the community, than for a distinct number of Legislatures. This is true; but he asked if it would be administered on the principles of freedom and independence? Congress may be properly the Supreme Council, but not the Supreme Legislature of the United States. Their legislative powers are circumscribed and confined to particular objects; because it might be more convenient, it did not follow that Congress should, for that reason, exercise such authority.

It had been urged, as a reason for the assumption of these debts, that the Continental securities had, in general, been purchased at low rates, and had centered principally in populous cities, and that the people would not be satisfied to pay taxes for them, and have their money continually drawn into these cities, unless the State debts were adopted, whereby the taxes would go back again into the remote parts of the country.

He said he was sensible the people would very ill brook the payment of taxes, when they saw the amount flow into the hands of a few individuals: That he had mentioned this in a former debate, and which would have been remedied, had a mode, which he thought equitable to render them diffusive, been adopted; but the measure was overruled; the present he thought unjust, and therefore could not agree to it.

It has been said, that the Legislature of South Carolina had declined making provision for her creditors, in expectation that Congress would assume her debts. He did not doubt the intelligence, but how the Legislature of a State could conceive that Congress would assume to pay her debts was to him extraordinary. He was sure that Congress had never expressed such an idea, and he hoped that things had not yet taken that turn; that whatever was devised in the Cabinet, should be agreed to in the Legislature. No regard, therefore, ought to be paid to what South Carolina had done.

But a gentleman from Massachusetts supposed, that it would not lessen the influence of the State Governments; that, on the contrary, it would be an advantage to them. That it was an old doctrine "out of debt out of danger," but the measure did not place the States out of debt, they were still to pay; the means of payment being only put into other hands. Sir, said he, if I was indebted on an open account, and I remain in possession of my estate, and was able to pay it, would it be any advantage to me to give my creditors a mortgage on my land, and put them into immediate possession of the profits of my estate? Is not the case applicable? We do not propose to pay the debts of the States, but with their property. Is this conferring any favor? Surely not.

He would propose, in order to bring the matter to a point, that the assumption of the State debts should be confined to such parts only as appeared to be a surplusage of any State which

has advanced beyond its just and equal proportion of the expenses incurred in the defence of the common rights of America. This surplusage to be ascertained on a liquidation of the account.

Mr. LAWRENCE believed the natural operation of the original resolution, with the amendment proposed yesterday, would be what the gentleman who was last up wished to take place; with a little attention, it will be discovered, that the measure terminates at the very point he recommends. It appears that the principle of settlement is, that all the expenses of the late war, whether for general or particular defence, be brought into one common mass, whether it consists of the pay of the army or the militia, or for supplies furnished, or for other services rendered. This being formed into one mass, suppose, for example, it amounts to one hundred millions, a second process must take place; a ratio being established, it would be easy to apportion what each State ought to have contributed: for instance, it is found that a particular State ought to have furnished four millions; against this, if she has a charge of twelve millions, she must receive the balance of the United States. But, again, as no State can be a debtor to the United States, because every State has furnished more than she has received of the Union, so each State must have the balance of their accounts assumed, and provided for by the United States. If the States could now, each of them, receive their balances from the Union, they might pay them to their respective creditors, and put an end to the business. So that taking the subject in either point of view, it will appear to be the same; of consequence, I infer there is no occasion for the amendment mentioned by the gentleman who spoke last. The amendment proposed yesterday is, undoubtedly a proper one. I believe, in settling these accounts, we ought to act on the most liberal principles, so as to do justice to every State in the Union; for, I believe it is true, that until that settlement is effected, some of the States will bear an undue proportion of the public burthen.

There have been various objections against the assumption of the State debts in any sense. Among others, it was supposed that the State Legislatures would become useless; and unless the State debts were continued, they would lose all their consequence. Now, it is fairly presumable, that there is not a State but wishes to be out of debt, nor a Legislature that wishes to meet only for the purpose of providing for the payment of them. I cannot admit the doctrine, that the assumption will derogate from the importance of the States. It was well observed, that they, as well as this Government, stand upon the broad basis of the people; and as long as both keep within the powers delegated to them, they will be subservient to the public good. The State Governments must exist, and exist to some purpose, or the General Government must change its form; because it is

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well known, that the State Governments serve as a criterion to ascertain how this House is to be chosen; and the State Legislatures alone can appoint the members of the Senate. The idea that the State Legislatures are to cease, can only be treated as a visionary phantom.

It has been said, that we ought not to assume the State debts until we have ascertained our ability. I believe our ability perfectly competent to the undertaking. The Secretary has only extended the impost something higher on a few articles, and pointed to the excise. I am convinced from this, that full and convenient provision may be made by the United States for the State debts, without having recourse to direct taxation. I am satisfied with respect to what the Secretary reports, and I believe some of the articles will be more productive than he calculates. If, then, I am not mistaken, direct taxes will be left untouched by the General Government, and will afford ample provision for the domestic and internal purposes of the several States. I believe, then, as was formerly mentioned, that this would be a measure founded in justice and policy, and such a one as will give general satisfaction to our citizens; it will add that strength to this Government, which is requisite to enable it to perform all its operations necessary to promote the public good.

Mr. MOORE said, he did not understand the proposition upon the table in the same light in which the gentleman last up (Mr. LAWRENCE) had stated it; neither could he think its effects would be the same with that which his colleague has just offered. If I understand the different propositions—by the first, every citizen of the United States may bring forward his certificate, and loan it to the United States, on which he is entitled to an interest; his claim is to be assumed and funded. The amendment proposes, that after an adjustment of all the claims of the State has been made, that Congress will assume the payment to each State, whatever she may appear to have paid on a final settlement, more than her just proportion; but leave it to the States to pay their respective citizens their claims, in whatever mode they please. In the one case, Congress only assumes the balance due; in the other, they assume the whole debt. He thought they had not sufficiently ascertained the amount of the debt: this ought first to be done before the payment is assumed. The Secretary has stated to us the supposed amount. He made no doubt that he had obtained every possible information on the subject. But even suppose him to be in possession of the amount of settled claims in all the different States, it would not ascertain it with sufficient certainty. It is proposed that the acts limiting the settlement of the claims should be repealed; that further time should be given to the claimants to come forward. Gentlemen appear impressed with the justice of this proposition. To what extent are they likely to be increased? If gentlemen will only consider the number of petitions that have been presented to Congress by

claimants whose claims appear to be just, they will be satisfied, that when the bar to a settlement is removed, many new claims will be brought forward, and the debt will be increased far beyond the present statement. Before we assume the payment, we ought to know that our resources are co-extensive with the demand, under every possible diminution that can in the nature of things take place. Should we now assume them, and our means be inadequate to answer the end, I know not of any procedure that could more effectually ruin the credit of the United States. But my principal objection to the proposition is, that we shall be obliged to lay a direct tax. What are the resources the Secretary intends proposing? They ought first to be brought to view. I remember well, when the impost bill was before us, we were told by gentlemen well informed on this subject, that if we increased the duties it would defeat our purpose; that it would promote smuggling; that on so extensive a sea-coast, where we have so many harbors, it would be impossible to prevent it, if we raised duties so high as to make it the interest of the merchant to smuggle. We were likewise told, that laying the duties too high would prevent the consumption, and tend to defeat the revenue. Gentlemen then brought forward every subject they could think of, as proper on which to lay a duty. I conceive, that if we assume the entire debt, an additional duty, adequate to the payment of the whole debt, cannot now be laid; we must lay direct taxes to pay the debts of the United States. I believe Congress, from the first forming of the Confederation, has kept up a distinction between debts of the United States and State debts.

I have not had recourse to the journals of Congress, so as to be certain that this distinction has been uniformly made; but instances come within my knowledge which prove it, for in the requisitions to the States the distinction is made. The State of Virginia, from her indiscriminate mode of adjusting State and Continental claims, has been refused a settlement of her claims against the United States, and Commissioners are appointed to ascertain her claims against the United States.

I think the framers of the Constitution contemplated the payment of the debts of the United States only; but from our assuming the State debts, they become the debts of the United States, and we are to pay them. I remember well, when the Constitution was under consideration in the Convention of Virginia, the power of imposing a direct tax was warmly opposed; the advocates for its adoption stated that requisitions were found to be ineffectual; that occasions might happen, in which such a power would be necessary; that it never would be exercised but in case of necessity. But we are about to attempt it when no such necessity exists. If that Convention had supposed it would have been attempted at so early a day, I think they would have hesitated to adopt the Constitution.

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Gentlemen, he said, complain that their citizens are oppressed with taxes; they say, that from their extraordinary exertions during the war, they have incurred a debt far exceeding that just proportion. I think the amendment proposed by my colleague, (Mr. WHITE,) will do them ample justice. Whatever sum they have paid over and above their just proportion, Congress will pay; leave the payment of their just proportion to themselves; this is all that justice requires. In the mean time, the proposition will not restrain us from availing ourselves of every resource in our power; and if there should be a balance in our Treasury, after paying the debts we have already assumed, we may apply it to the payment of the debts of the States.

Mr. GERRY opposed the principle on which the motion was founded. It contemplated the debts in question, as the debts of States, while, in fact, they were the debts of the United States; for the States had contracted the debts, as agents of the Union. And it was well known, that a debt contracted by an agent was as binding on the principal as though it had been contracted by himself, it being an established maxim, *qui facit per alium facit per se*. There can be no distinction in equity, then, between a debt contracted by Congress, its quartermasters, or other purchasing officers, and by a State employed by Congress, the creditors, in each case, being the creditors of the Union.

He had before stated, that the first army, although Federal, was raised, supplied, and paid by the States, till it was commanded by the Continental officers; that the States, on the requisitions of Congress, had made good the depreciation of the pay of the army; had frequently supplied and recruited it; had, at the request of Congress, assumed the debts of the Union, by taking up certificates of purchases made by Federal officers, by paying the interest of the Federal debt, and by various other modes; and one State, (Pennsylvania,) if he was not misinformed, had assumed to the amount of five millions of dollars of the Federal debt due to her citizens, and placed this sum on the State funds. As the States, then, are indebted to their citizens, ought not these, in equity, to be paid by the United States, for property thus supplied them? When the citizens credited the States, the latter had all the resources of the Union: they had the impost, excise, and sole right of direct taxation; for although Congress had the power of taxing States, they could go no further; and that power could not be exercised, from the want of a rule of apportionment required by the Confederation, because the States could not form an estimate of their property as required by that compact. It must, therefore, be evident, as the citizens entrusted the States with supplies for the Union, on the credit of certain State resources, and by the late revolution in the system of Government, these resources are, by the Union, in part alienated from the States to the Federal Government, which

is the case of the impost; and as Congress are now extending their taxation to another part, the excise, on which resources the State creditors principally depend, Congress are bound, in justice and equity, to provide for the payment of these debts, contracted at the request, and for the benefit of the United States; they are *bona fide* debts of the Union, and only differ from the Federal liquidated debt in the form of the negotiation. Perhaps it may be said, that the creditors have considered the States as debtors, and have no legal claim against the United States. But should Congress act upon such an unjust and ungenerous principle, would not the State creditors have reason to consider the whole as a State trick, or juggle, to defraud them of their dues? And would they ever after rely on the faith of Congress? There can be no good reason, then, for the assertion, that the States can only be creditors; or, in other words, that their debts can only be assumed according to the proportion of the balances that may be due to them, respectively, on a final liquidation.

The gentleman (Mr. WHITE) has observed, that, by adopting the first amendment, we should again open the door for State claims; that if it should remain shut, perhaps some injustice might take place; but if the doors should again be opened, there would be great uneasiness among some of the States. In answer to this, he conceived that the States considered justice as the basis of their system of policy, and should never be opposed to a measure that would prevent injustice. If, however, he was mistaken in this point; if the foundations of the State and Federal Governments were not laid in justice, he thought their career would be but short; but he had no apprehensions of this kind.

He observed, that the gentleman from Virginia (Mr. WHITE) had said, in case of an assumption, some State creditors may accede to it, and others not; that of the latter number, would probably be the citizens of Virginia; in which case, she must pay her own creditors, and contribute to pay the debts assumed by the Union. But where is the difficulty in this case? Congress, considering the State creditors of Virginia, as creditors of the Union, will provide for them as for other Federal creditors; and it will make no difference to the creditors to the State, or to Congress, whether the latter pays the interest to the State, and the State to the creditors; or whether Congress pays it directly to the creditors. This seemed too clear to be denied.

The gentleman has said, if the debts are assumed, Congress will fund, but not discharge them; whereas, the States will do both. How does it appear that Congress will be less disposed than the States to pay off the public debt? The Secretary, in his report, has an eye to a sinking fund; and there is no doubt of every exertion, on the part of the Union, to discharge the debt. It is true, the States, with the impost and excise, have made some progress in

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this business; but deprived of those resources, there will be less prospect of the debts being paid by the States than by the United States. The debts of the States will now accumulate, as the Federal debt did, whilst the States had those resources.

The gentleman says, that if all the revenue from impost and excise is thrown into our hands, it will not be adequate; and we must resort to direct taxes, which would meet the disapprobation of all the States. But in answer to this, he observed, that we have but little experience of the avails of the impost, and none of the excise, and can therefore form no judgment how far they are capable of improvement. One thing we know, that the impost is greatly injured by the State administration of excise; and we also know, that the latter is eluded in a great measure in each State, so that, under the Federal Administration, both impost and excise would probably be much increased.

He then mentioned the defalcation of excise; that the collection of it was generally supposed, in Massachusetts, not to exceed twenty-five per cent. of what ought to be the amount; and stated the manner in which the payment of it was eluded. It is impossible, therefore, at this time, to determine, whether those resources are or are not equal to the funds required. But suppose they are not, how does it appear that the States will be uneasy at direct taxation, if it is necessary to support public credit? Public credit be considered as the main pillar of the Government: if it be well established, it will be more valuable than the mines of Peru; for it will command what resources we may want; and those can do no more. It will also command the confidence and attachment of our best citizens, which will be infinitely more valuable; will strengthen our Government, and make it immovable. A Government founded on justice is so great a blessing, that enlightened citizens, like those of the United States, will not only contribute their property, but will risk every thing in support of such a Government. Mines will enable a Government to procure an army of mercenaries; but the power of these are not to be compared with that of good citizens, acting from principle. It cannot, therefore, be doubted, that if direct taxes are necessary to pay the just debts of the Union, and support its credit, the citizens will submit to it.

If we refer to the propositions of the States, for amending the Constitution, there is nothing in them that justifies the contrary supposition; but he would always be opposed to direct taxes, till it should appear that they are indispensably necessary.

The gentleman supposes, that the assumption will lessen the influence of the States, and elevate the General Government, and has quoted my observation, that the States out of debt would be out of danger. To confute this doctrine, the gentleman has stated a case, and says, if owning an estate he owed money on it, he

should think it more safe to take the estate into his own hands, and pay his debts with its income, than to mortgage his estate to another, on his engaging to pay the debts. But he observed, that the resources for paying the State debts were taken from them; and the question in the case stated was, whether the owner of an estate, who owed debts on it, would not expect that the person who occupied it, should, with the income, pay the debts of the estate, rather than leave the owner to pay them? In the case of a minor, ought not his guardian, who receives the income of an estate, to pay the minor's debts and not to apply the income to his own use, whilst these debts were accumulating? Much had been said respecting part of the debts of the State being paid for State, and not for Federal purposes; but would any gentleman deny, that almost the whole expenditures of the States, excepting the expenses of their Civil Governments, were for Federal purposes; or that the taxes of the States had far exceeded the civil lists, or other expenses of the States? Is it not evident, then, that the existing debts of the States must be far short of their demands against the United States, for supplies furnished by their citizens? And where is the force of this objection? It has been urged, by another gentleman from Virginia, (Mr. MOORE,) that an assumption is unconstitutional. He has mentioned the accounts of that State, which containing State and Federal charges, obliged the State to discriminate between them. But how does this prove the unconstitutionality of the measure? The debts of the States are either debts of the Union, or not; if not, we have no desire to assume them; if they are, we think it unjust to avoid payment, because of the mode in which they have been negotiated; and we conceive it sufficiently evident, that the existing State debts are for the property or services of individuals received by the Union. But suppose we should refuse to assume the State debts, will not the injured creditors of the States be forever opposed to your Government? Will they not consider this measure, explained as it will be in the progress of the debates, as a State artifice to defraud them of their property? For although the integrity of the honorable mover is unquestionable; yet if his proposition, when examined, has the tendency pointed out, it will, if adopted, be considered as artifice. The State creditors, in a common cause, will probably not confine their opposition to the collection of a Federal excise, but will extend it to the impost; which will be considered as an unjust alienation of the State funds, to pay the Federal at the expense of the State creditors. Such policy, instead of promoting peace and concord, will be a sure source of war and discord between the different classes of citizens and the United States. For these, and other reasons that might be urged, he hoped the proposition would be rejected.

MR. LIVERMORE.—I seconded the motion of the gentleman from Virginia, because I thought



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it brought our deliberations to a point; namely, that we might ascertain what we owe before we proceed to provide the means of payment. It leads us back from the wilderness into which we had wandered; assuming the payment of the debts of all the world, is not the business to which we ought to turn our attention at this time. Whatever debts have been contracted by the United States, we are bound to pay; we have a positive authority vested in us by the Constitution for that purpose. I believe the debts of the United States consist of what has been found due to individuals on the settlement of their accounts, and of what is yet unliquidated. I believe they are indebted to such States as have made greater exertions for the common defence during the late war, than was their just proportion. But as these debts can consist of nothing but the balances, I think it would be improper to assume the whole, and wait till the settlement of accounts, to know what ought, in justice, to have been assumed. Would an individual undertake to pay the whole debit side of an account, when there was a very considerable part of it accounted for on the credit side? It is much to the purpose, that the committee should keep in view the terms upon which the requisitions of the late Congress were made, from time to time, during and since the war. It was invariably stated, in every one of them, that if any State's proportion of the requisition should exceed what might be found to be its quota, upon the final adjustment of the accounts, it should be considered as an advance, and the United States were bound to repay it with interest; but if such advance did not exceed the just proportion, nothing should be paid. This was the contract between the United States and each individual State. There was not a single requisition but contained this provisional clause. If, therefore, Massachusetts, or South Carolina, have either of them advanced more than their proportion, they have the faith of the United States pledged to repay them the surplusage; that is all they can, in justice, claim, or all that Congress ought to provide for. This idea is clearly stated in the proposed amendment; and it may be agreed to, in my opinion, without hesitation. The contrary course, to pay money first, and settle accounts afterwards, would be the most absurd imaginable.

It appears very strange to me, how we, who owe fifty-four millions of dollars, can raise our credit by assuming to pay twenty-five millions more, when it may turn out that we do not owe one million of it. But it is said, that Congress are the only people in the United States who understand financiering; the individual States know nothing about raising money, but we can extract money from a rock, as Moses did water; yet the States have been able, even in times of the greatest distress, to raise sufficient money to answer the great purposes they had in hand. But if this opinion was better founded than it is, it could not prove that we ought to assume the State debts; because the contract

and justice require nothing more than that we assume the balances, in the same manner that an individual assumes to pay the balance due to another, with whom he has transacted business. When we have done this, we have done all we ought to do.

It has been said, that the individual State creditors will be injured, if we do not assume; but they will not be injured by us. They did not trust the Union—they trusted the individual States. But I am far from thinking this will be the case generally; because I believe the States will want neither the will nor ability to pay them. However much better the General Government may be able to raise a revenue by impost or excise than the State Governments are; yet the State Governments exceed the General Government in their ability to collect direct taxes. The States have their peculiar modes of raising money, which they can better suit to the habits and opinions of their own citizens, than any other body possibly can. They carried on the late war, in my part of the Union, pretty much in this way; for they were very little beholden to either the impost or excise. Dividing these modes of obtaining revenue, so as to give every Government an opportunity of using its exertions, will enable us to raise the most money with the least degree of dissatisfaction. Few men will be found to thank another for taking their estates out of their hands, to pay debts which they could better discharge themselves; they would prefer handling their own money, and paying their debts in the manner most convenient. But if the State debts are never paid, the crime does not lie at our door; all we are responsible for, is the payment of the real and proper debts of the United States; if we can provide revenue for this purpose, we shall support our credit.

The gentleman from Massachusetts has applied the maxim "out of debt out of danger" to show the favorable effect the assumption will have as it respects the States. According to this reasoning, I would ask, whether assuming double the debt we owe would not put the United States more in danger? Surely it will. Then why run headlong into danger, which we can and ought to avoid? Are gentlemen disposed to take more care of the State Governments than of the Federal Government? I own they have not evinced such a disposition yet. If the proposition passes, I hope it may be with the amendment proposed by the gentleman from Virginia; so that we may bind ourselves to assume no more than the balances; but as we are already bound to do this, I shall consider any further promise unnecessary, and vote against the whole proposition when amended.

Mr. PAGE.—The worthy gentleman last up seems but little concerned for the credit of the individual States, while he seems particularly anxious to support the credit of the General Government. I conceive, sir, the present Government was intended to give stability and credit to the individual State Governments, as well as

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the Federal Governments; that it is our duty to attend as much to the one as the other. The propositions on your table have, I presume, that object in view to its fullest extent; but I must confess I am somewhat at a loss how to decide upon them. I fear great alarms will be excited by those persons, and they are not few who are jealous of the new Government. They will say, with great plausibility, that we are about to plunge ourselves into a situation from which we can relieve ourselves only by the exertion of all our powers; that we must grasp every species of taxation; that more recourse must be had to excise. But what is more objectionable still, we must seize upon direct taxes; this, it was said by the friends of the Constitution, ought always to be avoided; but, at the same time, I have a doubt, whether we ought, under the present Government, to make any distinction between what are called State debts and Continental debts. Under the former Government, this was, no doubt, a proper distinction; there were then requisitions, and whatever debt a State contracted with individuals, in order to furnish its quota of supplies or services, was properly a debt due by that State; some States paid in specie for supplies, others run in debt to individuals, not having it in their power to raise taxes to purchase them with; others paid money, which they either raised in taxes, or have since sunk in that way. But under the Federal Government, this doctrine seems to be done away. This is the very thing which the opponents of the new Constitution thought they foresaw; this is that consolidation, as they called it, which they predicted; but without it, I cannot see how the general interests of the United States are to be supported. Can the credit of the individual States be provided for in any other way? If we leave some of the States exposed to the burthens, they must sink under the weight. We ought, then, I apprehend, in good policy, to assist them. It is justly said, that these debts were incurred in the general defence; they were the wages of the military, who gallantly defended their country from the common enemy. The repulse which the Britons met at Fort Sullivan redounded to our national honor; the whole Union participated in the victories gained in South Carolina; the common cause was benefited by the exertions of that State, and whatever she contributed beyond her proportion, is the real debt of the United States, and not of South Carolina. Since that period of calamity, requisition upon requisition has been made by Congress, in order to do justice to those who had adventurously stepped forward, and risked their all, when that risk was imminent. It was not, in my opinion, commercial regulations alone that produced the new Constitution: it was to enable the Confederation to exist, in such a way as to be able to render justice to whom justice was due; but I am fearful of alarming the States by recourse to direct taxation. If the States can raise their quotas, and gentlemen think the business can

be managed in this way, I have no objection to leaving it to the States to provide for the demand.

I would not have it understood, that I mean to decide this question upon those principles alone which I have mentioned, there are others to be contemplated, which I hope to hear strictly, impartially, and fully investigated before we take the question. I hope there may be no improper haste in voting on this proposition; because, if gentlemen do not see their way clear, it is best not to act; and those who would be in favor of the measure, if their understanding was fully enlightened, and their judgment sufficiently informed, may vote against it, for no other reason, than that it is better to stand still, than run the risk of acting improperly.

Mr. WHITE.—If the principles upon which the gentleman from Massachusetts (Mr. GERRY) founded his reasoning, should, itself, be without foundation, I apprehend the whole of his hypothesis must fall of course. He tells you that the States were the agents of Congress, and applies, as a maxim, that whatever you do by another, you do by yourself; consequently, that Congress are bound to pay the State debts. Now, I differ with him in principle; I consider the States as agents of the people; if I am right in this position, his argument does not apply. The respective States were formed out of Colonies, and were known to be distinct communities. They were each possessed, in consequence of the revolution, of a complete Legislative power, independent of all others. When they formed a Confederacy, Congress was appointed the agent of the particular States. When they perceived a measure likely to promote the general good, whom did they call upon for support? They did not apply to individuals, they applied to the States; the States were to furnish their agent with the means; they were to procure in the way most suited to their own idea of convenience; it was the State that applied to the individual; consequently, the debt is due by the State, and not by Congress. Every State was obliged to advance its proportion of expense; until that was done, it remained a debtor; but when it advanced beyond its proportion, it became a creditor, and not till then. I wish to go on the principles we have established. I wish the States to settle and ascertain what each has done; when that is accomplished, we will pay the balance. I am as free to pay the debts we owe as any man; but, then, I am for settling our accounts first, in order to ascertain what it is we owe.

The object of gentlemen, I take it, is this, that every individual who has in his hands the evidence of a debt due by any State, shall come and deposit it in your loan, and you will assume to pay him the interest, and finally the principal. The operation of this must be unjust; because many States who were equally indebted at the close of the war, have, since that time, made unequal exertions to extricate themselves; they have oppressed their own citizens with the burthen of heavy taxes, in order

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to discharge their debts, and now will have to submit to another oppression, in order to relieve those to whom nothing may be due. The citizens of States that have made these exertions, cannot come forward, and loan to the General Government an equal proportion of State debt. Virginia, for example, has absolutely sunk her militia and property debt; her foreign debt is nearly paid, she will not, therefore, be able to fund her proportion; the consequence resulting can be neither just nor equitable. Why shall any State that has paid over her proportion be called upon to pay more?

Gentlemen have mentioned a sinking fund for the extinguishment of a debt; and do they propose that the States shall bear this unequal burthen, until the debt is paid off by the fund contemplated by the Secretary of the Treasury? He holds out nothing for this purpose, that I recollect, but the revenue arising from the Post-office; a fund that never yet produced any thing, and what it may hereafter produce is involved in absolute darkness. I believe that officer wishes to establish a fund for the extinguishment of the national debt; but I do not think the one he has fixed upon will do it agreeably to his expectations.

A gentleman has said, we shall deprive the State creditors of their dues, unless we assume; how can this be made to appear? Did the State creditors ever look up to the General Government for payment? Had they any expectation of such an event? They never expected it; but, nevertheless, I should not object to an assumption under proper regulations.

MR. SMITH (of South Carolina.)—I look upon the amendment proposed by the gentleman from Virginia (MR. WHITE) as intended to defeat the main question; and the arguments by which it is contended for, such as go against the original proposition. They resolve themselves into two points: first, that the assumption will operate unequally on the States that have made the greatest exertions to get out of debt. The second is, that it will make the Federal Government too popular, and diminish the importance of the State Governments. With regard to the first, I would observe, that the States which made the greatest exertions during the war, were unequal to great exertions after the return of peace; while those States that had exerted themselves least during that dreadful conflict, were best able to exert themselves after its termination; so that, at the present moment, it is fairly presumable the exertion has equalized itself throughout the United States. I would not be understood to insinuate that any State has been, at any time, remiss in her exertions; but I believe, from accident, or adventitious circumstances, States have found themselves, some at one time, and some at another, compelled to strain themselves to the utmost. Those who had the enemy constantly to grapple with must have been disabled in a great measure from making equal exertions since the peace.

With respect to the second objection, I cannot but think it extraordinary in those who are the decided friends of the Government.

[MR. WHITE interrupted MR. SMITH, with a denial of having used the argument.]

MR. SMITH then proceeded, and begged the gentleman's pardon for having misunderstood him, for he thought he did; however, if he had not used it, other gentlemen had, and he would take the liberty of replying. I do not think, said he, that the friends of the Federal Government are likely to be displeased with any thing that is done by Congress to give it that strength, which its nature requires. It appears to me that the States would derive strength from the strength of the Union.

The gentleman has said that this is a measure which the State creditors did not expect. When did they expect it? Was it not at the time when no such Government as this existed? It was at that period when Congress had no power to call out the resources of America; when they were dependent upon the pleasure of the States, who might, or might not comply with the requisitions, as they judged most expedient. Requisitions were known to be ineffectual, and the creditors could have no expectations or reliance upon them; but now the Government is clothed with sufficient authority to draw forth the resources of the Union, and to provide for the payment of their debts. When the people of the several States concurred in the adoption of this Constitution, they did it with an idea that it would rid them of their embarrassments; it was, I believe, the general idea—I know it was always mine, that when the General Government got possession of all the revenue they would provide for all the debts of the Union. The contrary idea is so manifestly unjust, that it is a matter of surprise to me to hear any gentleman advocate it. What is the difference between the Continental and the State debts? They were both contracted in pursuit of the same object: they were all contracted for the general defence against a common enemy.

The honorable gentleman from New Hampshire (MR. LIVERMORE) said he would not thank any person for taking away his estate, and paying his debts for him. How much less would he thank the man who should take away his estate, and leave him to pay his debts as he could? The State Governments are now deprived of the resources they used to possess, and are left to bear all the burthens. The General Government has taken from them the impost, and is now about to take away the excise—how can it be expected that they can afterwards provide for their debts?

The honorable gentleman from Maryland has said that we should have no occasion for an excise duty if we fund only the Continental debt. But that does not appear to be the fact; from the report of the Secretary, he proposes to extend the impost, and lay on a general excise; it is to be presumed that the manner of

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raising revenue, mentioned by him, will be the most consistent with the plan. Excise duties were to be preferred to direct taxation; and if the impost is insufficient, recourse must be had to one or to the other.

When the war was first entered into, no man entertained a doubt but all the expense would be defrayed out of a Common Treasury. The centre of the Union was the grand theatre of the war; but the seat of the Government being in the neighborhood, it furnished the supplies for the army. The places remote from the centre being attacked, they were forced to rely upon their own exertions. With regard to South Carolina, she was obliged to provide for her defence from her own resources; but plundered, burnt, and depopulated as she was, at the termination of hostilities, she became unable to continue her exertions to the degree which her honor and disposition inclined her, to provide sufficient funds for the payment of the numerous debts she had contracted in her struggles for the common defence. But if her revenues have hitherto been inadequate, what are they likely to become now Congress has taken out of her hands her principal resource? Sir, unless the United States take the debt upon themselves, as it was contracted in their service, the creditors of South Carolina must go to ruin.

With respect to the apprehension that the measure would be disagreeable to the States, because it might tend to lessen their importance, I think it altogether unfounded; the State from which I come wishes and expects its adoption.

It is said to be unconstitutional; at least it is thought to be against the spirit of the Constitution, to declare the State debts to be the debts of the United States. What are the State debts? Debts contracted for the defence of the United States, and for the attainment of their independence. If these are not debts of the United States, then there are no such things as debts of the United States. But at most, the gentleman's constitutional objection goes no further than a mere metaphysical difference; the substance is the same, though there may be some difference in the sound as the resolution now stands; it ought not, perhaps, to be called an assumption, but rather a recognition; for the debts are now, and ever were, *bona fide* debts of the United States.

The gentleman said, that a State might run into debt, and afterwards disobey the laws of the Union, in order to get the debt assumed by Congress, and be bribed by them into a compliance. It is a singular idea, that a State should incur a debt, and disobey the laws of the Union, in order to induce Congress to pay it for her hereafter. I cannot conceive such an event in the smallest degree probable.

It was said, that the States would lay direct taxes for the payment of the State debts, but that the United States could not. I apprehend the inquiry of our citizens would not be who

laid the direct tax, their representatives in Congress or their representatives in the State Legislatures? They would confine themselves to the inquiry, which was the best and least expensive mode? And here the result would be favorable to the General Government. The collectors of taxes, under the State regulations, are prodigiously multiplied; in South Carolina, I believe, they amount to one hundred and forty, besides Custom-house officers, &c. In Connecticut, I am told, they amount to between two and three hundred. I suppose their whole number, throughout the Union, to be about one thousand four hundred. Under the General Government, where the impost is so productive, the deficient revenue might be collected by a much less number. It must be obvious to every gentleman, how much an uniformity in system and one general superintendence are superior to irregular and opposing schemes of finance, varied almost with the changing seasons of the year.

It has been thought that the creditor States should wait for their balances till the final settlement of accounts. If this should be the case, they must go to ruin. But why are we to delay the assumption until the final settlement of accounts? If it is to be done then, why not do it now? It can make no difference to the Union in point of expense, but it will tend to give stability to your measures; the Continental creditors will be benefited by it, because the due collection of the revenue will be attended to not only by them, but by the State creditors also; the latter will serve as auxiliaries, and the vigilance and exertions of the whole corps of creditors will be a good security to Government for the faithful execution of its ordinances.

It was said by the gentleman from Maryland, that the securities of his State were at fifteen shillings in the pound; and, therefore, the creditors of Maryland would refuse to subscribe to the loan. I believe the price of stock in a great measure depends upon the extent of its circulation. The Continental stock will, from its nature, have a more extensive circulation than the stock of Maryland; consequently, it would become the interest of the creditors of Maryland to subscribe to the Continental loan.

The State of Maryland has bottomed her securities upon the fund arising from the sale of confiscated property. I observed, the other day, that South Carolina was once in possession of a large fund of the same nature; but which, from motives of humanity, and obedience to the request of Congress, she gave it up. On inquiry, I find that the confiscated property which she restored, amounted to £456,111 sterling; this, at the rate at which securities were then selling, would have bought up three times as much as South Carolina is indebted. If she is now unable to pay it, it is the duty of Congress to undertake it for her; she ought to be indemnified for the loss she sustained by her obedience.

Gentlemen have expressed an antipathy to

speculators; they lament that one consequence of establishing public credit should be the making of those men's fortunes. Let gentlemen remember, there is but a small part of the State debts transferred; therefore the assumption will have a more desirable effect than the provision for the domestic debt.

It was observed by the gentleman from Virginia, (Mr. WHITE,) that the creditors of some States would not subscribe to the new loan, because the States have provided satisfactory funds. He instanced Virginia, and thought its creditors would not relinquish the securities they now held. I am informed that the Virginia State securities sell for six shillings and eight pence in the pound. When the debts of the Union come to be funded, they will sell for more than that. I should imagine they would never fall below fifteen shillings in the pound; whilst the State debt would be depreciated by the endeavors of those who were indebted to the State, and who wanted to purchase these securities in order to make payment in them.

Mr. WHITE said, that the securities of Virginia sold for four shillings in the pound twelve months ago; that just before the interest became due, two or three months ago, they sold for six shillings and eight pence; but at this day, although the interest had been drawn, they sold for eight shillings in the pound. The reason of this depreciation, was not, in his opinion, a want of confidence in the Government, but certain circumstances under which the holders of the certificates labored. The certificates had been originally given instead of money. The poor men, who were thus disappointed, sold them generally at very low rates to shopkeepers and others, who being unable to keep them, sold them in their turn; and as long as certificates remain in such hands, they must be depreciated; but Virginia has redeemed a great proportion of her debt, and the certificates for the remainder are passing into the hands of those who can afford to keep them; when they get into this state, generally, they will rise to their real value, whether they are Continental or State securities, provided they are equally well funded.

Mr. GERRY.—Gentlemen have said, that it never was in contemplation to assume the State debts. When the present Constitution was under consideration in the General Convention, a proposition was brought forward, that the General Government should assume and provide for the State debts, as well as the debts of the Union. It was opposed on this ground, that it did not extend to the repayment of that part which the States had sunk, as well as that which remained unpaid; had it not been for this objection, I believe the very provision which gentlemen say was never expected, would have been incorporated in the Constitution itself. If I recollect rightly, it was also contended, in Convention, that the proposition would be useless, as Congress were authorized, under other parts of the Constitution, to make full provi-

sion on this head. From this circumstance, gentlemen will see that the assumption of the State debts was in contemplation from the very commencement of the new Government.

The gentleman last up has objected to the statement which I made. He says the States are not to be considered as the agents of Congress, and if they are not so considered, then my hypothesis must fall; but I still think my position to be a just one. The Congress of the United States are the representatives of the several States; they being thus formed into a new body, constitute a Nation. The States becoming the special members of the Nation, are as agents only to the chief. Had it been in the power of the States to furnish their respective proportions, Congress had sufficient power to call upon them for that purpose as members of the Nation; but it being impossible to ascertain their proportions, Congress could not call upon them. But the Nation made use of their individual credit, in order to support the great cause in which they were all embarked. It is clear in the case of enlisting troops, when Congress sent the States bills of credit for the purpose, that they acted as agents; so they did when they used their credits in pursuit of the same object; they were as much National agents as the quarter-masters and commissaries were.

The gentleman has said, that the creditors did not originally conceive that they were to be paid by Congress. I ask, upon what foundation were the debts contracted? They were contracted for the general defence of the United States. Is it not just and reasonable, then, that the United States should pay them.

The gentleman from New Hampshire felt hurt that Congress should attempt to take away the funds which the States still continued to rely upon, though he admitted that Congress could make them more productive; he would not agree to a direct tax, because the General Government could manage it better than the States.

[Mr. LIVERMORE interrupted Mr. GERRY, and said, he had given it as his opinion that Congress could collect the impost and excise better than it could be collected by the individual States; but that the States, in their individual capacities, could lay and collect direct taxes with more ease and much less oppression than the General Government.]

Mr. GERRY acknowledged he had misunderstood the honorable gentleman, if those were his sentiments; however, he thought the whole train of his reasoning went to prove that Congress were the best financiers. I think, he said, we possessed such excellent qualities, that we could extract gold from a rock. I presume he referred to the abilities of the New Hampshire delegation. I have a high opinion of his talents, and no doubt if he would apply them to finance, we should do well under his administration; I think we should be able to collect the excise much better under his sole guidance, than that of all the Legislatures in the several States, from Georgia to his own State inclusive.

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The same honorable gentleman has told us, that if being in debt is being in danger, we shall run out needlessly into danger, by adding millions to what we owe. But how is this? Either the State debts are, or they are not the debts of the United States. If they are the debts of the United States, by assuming the payment we do not run into debt; we only do what we are in equity bound to do. If they are not debts of the United States, I am sure I can never advocate the assumption.

Mr. BURKE expressed much apprehension for the fate of South Carolina; if the present question was lost, he was almost certain it would end in her bankruptcy, for she was no more able to grapple with her enormous debt, than a boy of twelve years of age is able to grapple with a giant. He would show her ability, by stating the condition of her funds. Before the speculators, sent from here the other day, went into that country, her State debt was at six for one. Upon the report of this speculation going forward, they rose to five; but after thinking a little on the subject, and recollecting the inability of the State, they fell down to eight for one, and so they now remain. Such is and will be the situation of public credit in that State, if Congress do not interfere, and undertake to pay for her what she had assumed when the Continental credit was as low as hers is now. Every spectator will acknowledge that her misfortunes reflect on the United States, and not upon herself; she has done all she could, and if she is now suffered to fall, every thinking mind must lay the blame on the United States. After wheedling us into the Union, and wheedling us out of the impost, we must consider ourselves as wretchedly duped, if we are now abandoned to our fate. The impost was the only thing we had in our hands to do justice to our creditors, upon a debt contracted in the common cause, in fighting the battles of the Union, and beating her enemies. In this debt we make no account of the great exertions in fortifying Charleston; of the loss of property by both armies; of the loss of men; so great has this been, that there was not less than fourteen hundred widows in one county, at the close of the war. After all these things, to be left to be pressed down by the enormous weight of taxes, is unreasonable and unjust; it must strike every man at the first blush as an ungrateful remembrance. I rise merely to press upon the House, that the refusal would be making a distinction without difference; however, I will trouble the committee no further at this time.

Mr. LIVERMORE.—I have not altered my opinion, notwithstanding all that has been said of the necessity of the measure. I conceive that the debt of South Carolina, or Massachusetts, or of an individual, has nothing to do with our deliberations. If they have involved themselves in debt, it is their misfortune, and they must extricate themselves as well as they can. I am sorry, however, that South Carolina is embarrassed with her debt, and wish it were other-

wise, but that is not to the point; the true ground on which the question must rest, and be finally determined, is, are the United States indebted to South Carolina? Probably they are, and they ought to pay her; but I want to see the accounts; let us have them settled first, and then if there is any thing due, we will either pay her, or assist her with our credit.

The gentlemen have instructions from the State of South Carolina to urge this matter; perhaps those instructions weigh considerably with them, and perhaps it is right they should. But when this business is put upon issue, there may be some difficulty in the determination. I may say, that I am informed that the Legislature of the State of New Hampshire have appointed a committee to draw up instructions for their delegates in Congress to oppose the measure; this may be the case, although we have not yet received the letter. I must own to you, sir, that instructions would operate very forcibly on me, even if I was not convinced that the measure was improper in itself, but in this case it perfectly accords with my own judgment; and I shall, without more cogent reasons are adduced than any I have yet heard, vote against the assumption altogether, unless it is modified, as mentioned by the gentleman from Virginia, (Mr. WHITE,) that is, to assume the balances found to be due to the creditor States, upon the final adjustment and liquidation of the accounts between the United States and the individual States.

Mr. FOSTER had communicated to his colleague (Mr. LIVERMORE) some information, but he was afraid he had been misunderstood. He said, he had seen a paper from New Hampshire, in which it was related, that a committee was appointed to report instructions on this subject, in order to be sent on to their representatives in Congress; but no report was as yet made.

Mr. SMITH (of S. C.) supposed, in consequence of what the worthy gentleman from New Hampshire, who was last up, had said, that his colleague (Mr. LIVERMORE) was mistaken; and that he went upon the ground of anticipation. He had hopes that New Hampshire was in favor of the measure, and that instructions to support it would be sent on, in which case he flattered himself with the suffrage of that gentleman, who paid so much respect to instructions; but on that point, he would say, that his instructions did not give the tone, to his conduct on this occasion; he was stimulated by a regard for the general interests and welfare of the Union; it was a conscientious discharge of his duty that made him press the adoption of the measure.

Mr. STONE persisted that the State debts were not the debts of the United States; the gentlemen on the other side consider all the debts owing by the States as contracted for Continental purposes; and under this idea, they are willing to say they are the debts of the Continent; but if they say so of all, they say what



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is not true; they never yet were adopted by Congress, and I trust they never will be. The State of Maryland entered into a scheme of making great provision for her defence; she ran into debt to *Van Staphorst* two hundred thousand dollars for powder and military stores, just before the close of the war; and these articles arriving after the peace, were disposed of at a considerable loss. Now, under the Secretary's plan, this is to be a debt due by the United States, because it was a debt owing by Maryland, one of the United States; and Mr. *Van Staphorst*, because he holds the note of the State of Maryland, is a Continental creditor to the amount of 200,000 dollars. If the State debts were really, as gentlemen say they are, Continental debts, there would be no occasion of assuming them. Maryland has also gone to the expense of building a very elegant State-house in Annapolis: she has expended a considerable sum in clearing the navigation of the Potomac. She has not paid cash for these things, and are the debts contracted for her State-house, and opening that river, the debts of the United States? You may adopt these debts, and say they are the debts of the United States; but the fact cannot be changed; they are not the debts of the United States, nor ever will be.

Mr. SMITH, of South Carolina, had no doubt but the debt of Maryland, contracted for military supplies, ought to be allowed in her accounts against the United States.

Mr. SEDGWICK said, it made no difference whether the debts were contracted for Continental purposes or not, because it was evident that each State had a greater demand against the United States than the present amount of their debts. And if the State of Maryland had a claim against the United States for 3,000,000 dollars, and owed her own citizens but 1,000,000 dollars, the United States assuming the whole of this, would not balance the accounts, there would be more still due. He said, he could undertake to prove to the committee, that the State of Massachusetts would have to pay annually 920,000 dollars, if the State debts were not assumed. independent of contingencies; and he would submit it to those who considered the habits and manners of that people, whether it did not exceed their ability, and whether the State or Continental creditors, so far as depended on that State, must not, in part, go unpaid? He was satisfied there was no gentleman within these walls who wished to see those meritorious citizens, by whose exertions and services the liberty and independence of America was secured, left unprovided for. He had a perfect reliance on their candor and humanity; but he appealed to their justice, on the present occasion, and he had no doubt but that they would honorably reward the men to whom reward was due.

Mr. CARROLL moved the committee to rise; whereupon the committee rose, and the House adjourned.

FRIDAY, February 26.

The bill for the encouragement of learning was read the second time, and committed.

## PUBLIC CREDIT.

The House again went into a Committee on the report of the Secretary of the Treasury, Mr. BENSON in the chair.

Mr. WHITE's proposition for amending the original resolution being under consideration.

Mr. STONE.—It has been said, that the assumption of the State debts will afford immediate relief to the States which are burthened with debts beyond their proportion, on account of their exertions during the war. Gentlemen see that it is necessary to attempt the establishment of these positions, or all the arguments in favor of the assumption, which they have thought proper to use, falls to the ground. For if the States can wait, a final settlement will have the effect to assume all the debts which the United States are liable for: if, upon a complete settlement, the fact should turn out differently from what gentlemen so fondly believed, and Massachusetts and South Carolina should not be creditor States, would gentlemen from those States wish Congress should pay their creditors? But gentlemen, surely, in the eagerness to benefit their constituents, forget a most material circumstance; immediate relief, sir, is not intended by the report. One year is to be consumed in the details preparatory; taxes are then to be laid, and they will not be in the Treasury in less than a year. Hence, we see, that at least two years will elapse before the wished-for relief will be afforded. Gentlemen promise great exertions to effect a final settlement. Is it clear that a settlement cannot take place within two years? I am sure, if your establishments are liberal and proper, that it may take place; and then, perhaps, at the moment you are ready to pay the debts you are pleased to ascertain, you will see the injustice; you may find that the credits of the States now complaining, have existed only in fond partialities of their representatives, and their debts are only the effects of inattention, fraud, and waste.

In fine, you take this vast and dangerous leap blindfold, impelled by the assumption of one position that is clearly ill founded, and of another that is doubtful. In the mean time, to attain imaginary equity you are guilty of positive injustice. You will injure the credit of Continental certificates, and if the plan takes place, some of the State certificates must fall in value. In Maryland, the citizens have, perhaps, £200,000 solid property, in debts due from the State: reduce them as low as finals, and you destroy £50,000 of the property of our people. Other States may be similarly situated; and for what? Because Massachusetts and South Carolina say they have done more than their proportion, and cannot pay their debts.

It appears to me to be of consequence to consider the effect which taxation will have, collected in the one way or in the other,

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on the property within the respective States. If you lay a heavy tax within the State, for the purpose of paying creditors within the State; the burthen will not be grievous, because the property will be kept within the State, and the quickened circulation of the money will promote the ability to pay. But if your taxes are collected and directed to the Continental Treasury, the property leaves the State, the impetus of circulation is diminished, and the chilling hand of poverty consigns productive industry to indolence; the diminution of capital will turn your well cultivated fields into wilds, and your high improvements will, for want of repair, fall to the earth. It appears to me that the States most distant from the seat of Government will find their impoverishment in this measure, notwithstanding it appears to them at the present moment so desirable. However inconvenient it may be to Massachusetts or South Carolina to make a bold exertion, and nobly bear the burthens of their present debt, I believe in the end, it would be found to conduce greatly to their advantage. Their creditors and citizens would feel some benefit to keep their taxes at home; but if they are brought into the Continental Treasury, the certificates will follow them. They will, by degrees, leave Massachusetts and South Carolina, and centre near the seat of Government, because the inconvenience of receiving money quarterly, from such a distance, will induce a transfer of the property; the operation of this circumstance, being constant, will bring them all into the neighborhood of the source from which they are to be paid.

I wish the distress of South Carolina was relieved; but she does not seem to use that diligence herself which is requisite; South Carolina is encumbered with such a debt, that a gentleman from that State says it is a giant compared with the strength of South Carolina. Now under these circumstances, what does South Carolina do? Before any assurances whatever are given that Congress will adopt the debt, they destroy the system, by which alone they could think of doing justice to their creditors. Instead of arming herself to encounter her foe, she throws aside every weapon, offensive and defensive. The gentlemen from that State have told you, that hearing the Secretary had suggested to Congress the propriety of providing for the State debts, at some future period, they have neglected to do any thing for their own relief. I am sorry that it should be so; I am concerned to mention it; but was more so to hear it. It is a disagreeable circumstance; no gentleman can applaud the justice of South Carolina, when merely on an idea that a certain thing may happen, she wholly leaves her creditors without any provision. The State from which I come will be put into a disagreeable situation, which, to them, will also operate injuriously. As I am at present impressed with the consequence, it will be this: That the State of Maryland, who has paid her quota of the Continental debt, will have to con-

tribute, in impost and excise, toward the payment of all the debts of the several States to which the creditors shall choose to subscribe, and at the same time tax her citizens for the payment of her own creditors, who are not likely to change their security. It would be my advice to her, to go through, inconvenient and distressing as it is; go on and pay to Congress the impost and excise, for the benefit of those even with whom you have nothing to do, but at the same time support yourself; never let your faith be sacrificed for want of exertion; you have got the property of your creditors; you have promised them payment; toward them act honorably and justly, notwithstanding Congress has thought proper to burthen you by the assumption: I presume you will have credit for your exertions and payments; if you do not acquire it here, you will obtain it in heaven.

Mr. SMITH (of South Carolina).—The honorable gentleman from Maryland thinks it extraordinary, that the Legislature of South Carolina should adjourn without making provision for the payment of the interest of their debt next year. Sir, the interest on the debt of South Carolina is provided for till April next, the Legislature of that State will meet again before the next year's interest becomes due, and if they are disappointed by the General Government, they will no doubt exert themselves to effect something in favor of their creditors; but, suppose the State of South Carolina had made provision for the payment of her interest, what would have been the gentleman's language? He might have told us that South Carolina neither expected nor wished for the assumption, and adduced the circumstance of her making provision for her debt, as the best evidence the case would admit.

The gentleman is not acquainted with the sufferings of South Carolina, or he would not have said she was remiss in her exertions; while she had the ability, she exerted herself as much, if not more, than any State in the Union; she is still disposed to do justice, but cannot accomplish it, unless she first receives it at the hands of the Union; therefore, I think the gentleman unwarranted in his observations.

Mr. BURKE could not brook the comparison, which gentlemen made to the disadvantage of South Carolina. Was Maryland like her, constantly grappling with the enemy, in one shape or another, during the whole war? There is not a road in the State, said he, but has witnessed the ravages of war; plantations were destroyed, and the skeletons of houses, to this day, point out to the traveller the route of the British army; her citizens were exposed to every violence, their capital taken, and their country almost overrun by the enemy; men, women and children murdered in cold blood, by the Indians and Tories; all the personal property consumed, and now it is to be wondered at that she is not able to make exertions equal with other States, who have been generally in an undisturbed condition,

South Carolina was reduced, by her patriotism and love of liberty, into this wretched situation; she might have made her own terms with the enemy; the Commissioners sent out by Britain attempted to gain her good-will; but South Carolina despised the attempt; her citizens bravely resolved rather to die in the last ditch than to desert their brethren.

Gentlemen have mentioned, that the States may have incurred large debts by entering into schemes of aggrandizement; but the debt of South Carolina was contracted in the pursuit of the general welfare; it was provided for the common defence that exhausted her; he was confident that she was unable to pay the debt, the thing was impossible, and if she was left to struggle with it any longer, she must sink under the burden. Gentlemen have supposed the citizens of South Carolina a rich people; there are a few rich planters near the shore; but even they have not yet recovered from the devastation of the war; and the upper country, the most fertile, is remote from market; this inconvenience is more sensibly felt from the want of horses, all of which were swept away by the enemy; they have not the means of carrying on industry like other States, and if they had, they could, with difficulty, bring their produce to market.

Mr. AMES said, that a jealousy was entertained of undue advantage being procured to particular States. In order to remove the impediments, which he supposed unworthy influence of State interests on his mind might place in his way, he was obliged, as well as disposed, to rest his arguments upon general principles. For these, like truth, upon which they are founded, have an unchangeable and uncontrollable authority.

Let the first inquiry be as to the justice of the measure. In 1775 the citizens of America, with a solemn appeal to heaven, made a common cause of their violated liberty. They agreed, as brethren, to expose property and life in its defence. If partial dangers and losses were to have fallen upon the sufferers, probably it would have discouraged many who were most immediately exposed, and yet displayed the most heroic fortitude.

Nor would those who were remote from the danger, and indeed from the quarrel, have become parties on any other principle than that it was the cause of all America. For instance, South Carolina, as happy as peace and wealth could make her, had little cause of complaint against Britain. He did not espouse the cause of South Carolina merely, but of America. That State gave an illustrious example of patriotism. But if her citizens, when they foresaw the evils of war, had foreseen that more than five millions of debt would be created against her, that the armies would live, as it were, on free quarters in her territory, and that a great part of the personal property would be destroyed, or carried away, would they have drawn the sword if they had believed that the

benefit would be common, but the burden partial? No, sir, the spirit of the people, and the resolves of Congress, spoke a different language. Let him who has not forgotten the spirit of 1775, deny that this is in conformity to its dictates.

But were the State debts contracted for the war? It appears by the books in the public offices that they were. Will any one say, that the whole expense of defending our common liberty ought not to be a common charge? Part of this charge was contracted by Massachusetts before Congress assumed the exercise of its powers. The first ammunition that repulsed the enemy at Lexington, and made such havoc at Bunker's Hill, was purchased by that State, and appears in the form of their State debt. The war was chiefly a common charge, while paper money would defray it. But in 1780, when it became of little value, Congress called upon the States. The States which complied with the demand contracted debts, and that in proportion to their zeal. A State which totally neglected a requisition, or complied partially, would of course, proportionally escape a debt. Is this justice? But the States were also exhausted, and to aid their feeble authority and slender resources, they called upon the towns, and these called upon classes, and these upon individuals; why not as properly say, that this debt is due from towns, classes, or even individuals, as from States.

Nothing can more clearly evince the injustice of calling these State debts than this circumstance. Congress appointed persons to liquidate and settle public accounts, and some of the States did the like. If a State took early measures to receive and allow claims, of course many were exhibited and allowed. But where it was convenient to apply to the offices of the United States, and especially in case the State had not opened like offices, the claims chiefly appeared against the United States. Accordingly the Commissioner from Congress allowed about two hundred and eighty thousand dollars in Massachusetts, and near one hundred and thirty thousand in New York, merely because the former State had incorporated them with her debt, and in the latter they were received by the officers of the United States. Congress delayed sending a Commissioner to South Carolina till 1784; had he been sent in 1782, it is probable the debt of that State would have been of less magnitude. Are circumstances so merely adventitious and casual to constitute a plea for the Union to disown the debts? Formerly the State had the funds, and the creditors preferred their notes; they agreed to this Constitution, which was giving the funds to the United States; shall not the debts follow the funds? Shall we first disable the States from paying, and then refuse payment ourselves? Is it just, that officers, who fought side by side, should have a different recompense?

Let us examine this measure on the ground of policy. How would it strike the people of

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England to divide their debt upon several Counties, and to establish independent revenue systems for its security? Habit has made an idea equally dangerous, and strangely familiar in our own country. It is unfriendly to the National and State Governments, to make it absolutely inevitable for them to clash and interfere. Let us preserve the powers of both unimpaired; to combine our citizens in common views; to make the revenue laws uniform; to extend permanent protection to trade and manufactures; to relieve our husbandry from direct taxes; are objects worthy of the Government. It is natural, too, to suppose, that the collection may be made less expensive, as it would make a double set of revenue officers unnecessary; it will relieve us from the confusion of so many sorts of paper, and by extending the market, and making the funds more certain, will increase the use of the State paper as money.

The Southern States are supposed to possess a small share only of the present debt; but as Maryland, Virginia, North Carolina, and South Carolina, owe near thirteen millions of the State debts (more than half their amount) the assumption will produce a more equal distribution of benefits and burdens. Besides, the State duties operate to the injury of the revenue; an article that bears a low duty of import, is dutied high by the State, and there is danger that the temptation to fraud will impair both revenues; for the impost alone would not furnish such temptation, yet the State duty being superadded, the collection becomes insecure.

But State duties are not confined merely to their own citizens. The trade from State to State has been grievously burthened by their operation; the Constitution was intended to free our domestic intercourse from all restraint. Further, excise duties fall upon the consumer; one State will be tributary to another. Massachusetts has collected part of the duties from the citizens of New Hampshire; the operation of the New York impost is well known; when it is said, therefore, *let each State pay its own debt*, we ought to expect that this will not take place, if the debts should not be assumed; and it may be well doubted, whether, in that case, State duties would not prove a more grievous burthen upon trade, and produce greater inequality and injustice, than has ever been urged against the assumption.

These arguments, independently considered, will probably be allowed to prove the justice and sound policy of the assumption. But in order to preserve their full force, it is necessary to obviate some objections.

The assumption, it is affirmed, tends to the consolidation of the States, and to the destruction of the State Governments. The entire powers of peace, war and treaty, are given to Congress; of consequence the power of raising supplies, and when they may fail, of contracting debts to carry on war belonging to Congress. The entire debt was created by the war;

it seems to be in strict conformity to the spirit, as well as letter of the constitution, to assume it; for it cannot be improper to exercise that power in this instance, which, in all like cases, is exclusively vested in Congress. The States are restricted from raising troops and carrying on war; the power of contracting and providing for debts incurred by war, seems to be incident to it—it would not be safe to concede that the power of levying war belongs to Congress, and yet to assert that the power of providing for it is necessary for their security, to be vested in the States. If this, however, is not asserted, the objection will be untenable—for, if it is now necessary to the States, it will always be necessary. All future war debts will be contracted by Congress; the objection, therefore, supposes either that the State debts will be extinguished, in which case there is only a temporary security against perpetual danger, or that they will be kept perpetually in being, to secure the States against it.

The objection plainly leads to this conclusion. If it is improper and unsafe for Congress to exercise this power, then the Constitution is wrong, and it ought to have been vested in the States. The power of providing for war necessarily draws after it the right of declaring it, and the whole power of the sword. The people of this country well know that this power, vested in more than one body, might soon be turned against themselves. There would be neither Constitution nor Union in that case. But we are to administer the Government according to the frame of it. The real check against the abuse, and the security for the being of both National and State Governments, is the knowledge of the people. The assumption will not render the Constitution obscure, nor strengthen the right of this Government to raise armies, which is already given; nor will it make the State Governments obnoxious, but rather the reverse, as it will throw upon the United States the odium of levying taxes. Beside, as soon as the accounts shall be settled, this danger will occur. The objection, then, applies equally against the liquidation of the accounts.

Let us, however, take the argument simply as it is stated, it proves too much. For if so much power follows the assumption as the objection implies, it is time to ask, is it safe to forbear assuming? If the power is so dangerous, it will be so when exercised by the States. If the assuming tends to consolidation, is the reverse, tending to disunion, a less weighty objection? If I am answered that the non-assumption will not necessarily tend to disunion, I reply, neither does the assumption necessarily tend to consolidation. An unreasonable clashing of jurisdiction cannot be friendly to the present frame of our republics.

We are told, that the accounts are in a train of being settled. We are advised to wait that event. But, in the mean time, what is to become of the State creditors? Most of the States claim balances—will they provide for their cred-

itors while they expect to receive those balances? Will their citizens submit to taxes cheerfully while this expectation lasts? The value of the debts would be fluctuating. If this settlement should be long delayed, their value would sink to a mere trifle; suppose, that by assuming, we bring the States, or some of them, into debt to the Union; by not assuming, the Union is certainly in debt to the States. Is it more wise or just to be debtors than creditors? But if the States are to have credit for what they have done and paid, and to be charged with what they have received from the United States, most of the States will be creditors; and as the war was a common charge, and ought to have been entirely supported by the Union, the debts of the States are debts which they ought never to have incurred, and therefore, the assumption restores things to their just foundation.

It is said, leave the States to pay their own debts; are they to do it by direct taxes? It is well known that in estimating the product of taxation, as much depends on the mode of imposing and collecting, as on the wealth of the persons taxed. Perhaps direct assessments are of all taxes the most unproductive and uncertain. They are, besides, arbitrary and burdensome. Will any single fund, especially such as I have just mentioned, be sufficient? Or if it should, would it not banish the husbandmen from some of the States? Independence is a common acquisition, and ought to be enjoyed upon equal terms. But to some it will prove ruinous, while others, living in another State, and divided by an imaginary line, will enjoy their lands almost tax free.

Or shall the States fund the debts on excises? Have the States a right to excise imported articles? Without deciding that question, it is not supposed that they have the power of regulating the importation of goods. The checks upon the dealers in dutied goods, of consequence, will be imperfect. Neither have they a right to prevent the transit of goods through a State. The extent of frontier is another impediment to State excises. Massachusetts has a frontier line to watch of many hundred miles, and it will not be possible to prevent the introduction of goods charged with less duties, or not dutied at all, from the neighboring States. If a State excise law should militate against the law of the Union, both cannot operate; perhaps neither. The right of the States to collect excises, if such right exist, is deduced from the silence of the Constitution; the right of Congress is expressed in positive terms. If, then, the right of laying excises by the States, either does not exist, or exists under several limitations and disadvantages, then the provision which they can make for their debt becomes proportionally inadequate and precarious. The burthen, if equally borne, and under the wisest and most efficacious system of revenue, is supposed to be heavy enough; how, then, shall it be endured, if borne unequally, and under such inconveniences?

If it is urged that the United States cannot provide for the State debts, I answer, the States are still less able.

But with debts you take funds; and even on pecuniary calculations, the public will gain. Not assuming is paying twice over. For the people of a State will be unequally burthened to pay their debt; and then, as citizens of the United States, will be liable to be taxed to make retribution.

But how is this retribution to be made? Taxes must be uniform; you cannot, therefore, make a requisition upon the debtor States; you cannot sue for the debt in the Federal Court, for the money is due to the creditor States, and not to the United States. Will you wage war to enforce payment? The balances must be paid by the United States. If Virginia is found to be a creditor, the Union must pay it by taxing the citizens of all the States. The arguments urged against the assumption apply with equal force to the non-assumption.

The same answer will be equally proper to be given to those who object, that it will operate unjustly against the States which have advanced beyond their proportion, and now will have to bear a part of the debt of the other States, some of whom are debtors. The States are either creditors or debtors. If creditors, the assumption is a prompt payment of that amount of their claims; if debtors, the charge of inequality is absurd, even in terms. The debt is to be paid, or it is not: if not, the debate is improper; if it is to be paid, then equally or unequally. If the latter, abandon the plea of justice; if the former, then apportion it; if the debt were actually divided among the States, according to their quotas, the assumption would be unexceptionable; because it is manifest that the burthen could be more conveniently borne by the people under one system. If it is unequally divided, why should the people be crushed by the inequality of the burthen?

Congress have already agreed to pay the balances which may be found due to the States. This is virtually an assumption—why should we forbear to do that in the first instance which we are ultimately bound to do?

Mr. STONE said, that notwithstanding the State of Maryland had not sustained so much loss from the ravage of the war, yet she had paid her full proportion towards the expense. She paid impost on goods brought from other States, and a debenture of the manufacturing States; for it is a well known fact, that she is a consuming, not a manufacturing State. Now, it would be unreasonable to impose greater burthens on her, at least before it is known that she ought to bear them. The gentleman from South Carolina, he believed, had misunderstood him. He did not say that South Carolina had made no exertions; his remark went no further than to say, she had not made exertions since the peace for the payment of the debts she had contracted during the war.

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Mr. WHITE.—Every gentleman on this floor will readily acknowledge both the sufferings and exertions of South Carolina: they were undoubtedly great, and she must have credit for them. That five millions of dollars is more than she is able to pay, may be admitted; but she is able to pay some part; indeed, she must pay some part; and it is our duty to know what that part amounts to before we are in a condition to assume the balance. Until she shows how much, if any thing, she has exceeded her proportion, we cannot acknowledge what is due to her. What was our situation when we confederated? By that instrument it is declared, that all charges of war, and other expenses that shall be incurred for the common defence or general welfare, and allowed by the United States, shall be defrayed out of a common Treasury. Hence, it appears evident, that before a debt can be provided for by the General Government, it must be allowed by the United States; and then it must be provided for by taxes laid and levied under the State authority. Here the Federal Government has nothing to do with individuals; it is the States with whom they are to transact the business. How did these debts arise? The States not being in a capacity to furnish the common Treasury with money, to provide for the general defence, the States undertook to supply them, not with the money, but something which answered the purpose: they used their credit, and procured, by running in debt, supplies for the army; others furnished money. How can the former require any special provision? It was the duty of each to contribute its proportion; if it has done no more, the United States are not indebted to such State, and have not a right, in equity, to assume the payment thereof.

A gentleman from Massachusetts says, I allow the propriety of doing something. I do not deny this. I would be willing to do all that justice requires; but justice is not likely to be done by deciding in the dark.

Beside the advantage of retaining the money in the State, as mentioned by the gentleman from Maryland, (Mr. STONE,) there would be this advantage, that a citizen would, with more convenience, obtain his interest from the capital of a State than from the metropolis of the Union; because he would find his neighbors more frequently taking the former than the latter journey; there is a constant intercourse between every part of a State and its capital, by means of the Legislature, and various persons employed in the administration of the State Governments; and the difficulty of procuring the interest would depreciate the principal.

Mr. HEISTER.—I believe I shall vote against the assumption of the State debts; but, in doing so, I have one difficulty on my mind; and that is, the peculiar hardships to which it seems it will expose the State of South Carolina. The aim of the arguments for these two days past has been principally to interest our feelings instead of our judgment in the decision. I be-

lieve, from what has been said, that South Carolina will be subjected to very great difficulties and embarrassments if Congress should reject the proposed measure. Although I shall have to commiserate her misfortune, I cannot bring myself to countenance what I conceive to be founded in injustice, besides, one's sympathy is less affected when we come to consider, that whatever the effect may be, it results from her own neglect. I presume, when commissioners, in the year 1784, were sent into each of the thirteen States, one went into the State of South Carolina, and she might then have suffered her creditors, if they were really creditors of the Union, to have sought for justice in that quarter. If it be said, that the State had previously assumed the Continental debt, I imagine she might have restored things to their original state, by passing a law for that purpose. It gives me pain to reject a measure which would be so agreeable to a sister State, who, it is said, has made great exertions; and I acknowledge she has; but I must be guided by principle in my determination. Yet, sir, it strikes me that the depreciation of their securities, so much complained of, will not injure them as much as the middle States were injured, who, during the war, sold their supplies for Continental money, which melted to nothing in their hands. If any consolation can be drawn from having companions in distress, the recollection of this circumstance may mitigate theirs. It was not till after the paper money was mostly out of circulation, that the war drew to the Southward; the supplies were, therefore, chiefly paid by certificates; and, from this circumstance, the citizens of South Carolina have the evidence of their demands still in their hands. They will eventually fetch something; but the claims of those who furnished supplies, and received Continental paper in payment, have entirely vanished; so that, upon the comparison, the creditors of South Carolina will be benefited.

Mr. PARTRIDGE. The gentleman from Virginia (Mr. WHITE) supposes the debts, now under consideration, to be properly the debts of the respective States, notwithstanding they were contracted for the common defence of the United States. He supported this opinion by a reference to the eighth article of the late Confederation. It is true, under that agreement, the debts are to be considered as the debts of the respective States; and why? Because the United States had no resources for their discharge; the powers of taxation lay altogether in the States; of consequence they were responsible for the debts contracted. But suppose the expenses of the late war had even been proportioned under the Confederation, yet, by the adoption of the new Constitution, they would become the debts of the Union; for all the resources which the States heretofore possessed are now given to Congress, and it would be absurd to suppose that the public creditors meant, by this change in the Government, to forego their right of being paid.



It was presumed that the present inequality of debt was, in a great degree, occasioned by an inequality of exertion; the gentlemen did not seem to acquiesce in that idea, but I think it founded in the reason and nature of the thing. The debt of Massachusetts is very considerable; it is as much as that of any State in the Union; now it is a well known fact, that near half the soldiers in the field, at the close of the late war, belonged to that State. Can any gentleman, who considers this circumstance, wonder that her debt should be of its present magnitude? But beside, Massachusetts and South Carolina were near the extremes of the Union; they were obliged to depend, in a greater degree, upon their own exertions, than the more central States; and this contributed to enlarge her debts. From these considerations it appears, that the assumption is a measure dictated by justice as well as good policy.

Mr. FITZSIMONS observed, that much had been said on the present question; but if he was not mistaken, the principal objection was kept out of view, what weighed most forcibly in gentlemen's minds was slightly passed over. The inequalities that would arise from the assumption formed the strong ground of opposition. Here he would join gentlemen, and admit that great inequalities would arise in the first instance; but then he trusted they would be soon removed; he also apprehended the real inequalities were magnified by gentlemen's imagination; for they had often contemplated creditor States and debtor States, while this result depended, in a great measure, upon the mode of settling the accounts. If the requisitions of Congress are to be considered as the quotas of the several States, then every State in the Union will be, more or less, a debtor State; for there is not one that has completely paid up all the requisitions. If, on the other hand, each State charges its contributions to the General Government for the common defence, and credits the Union for the money received of them in every case, it is probable the balance will be, more or less, in favor of the States. But notwithstanding all these apparent difficulties and inequalities, he flattered himself that a mode of adjusting and settling the accounts would be fallen upon that would give general satisfaction; and, under this idea, he should be in favor of the assumption.

With respect to the motion proposed by the gentleman from Virginia, (Mr. WHITE,) he thought it was out of order, as it went to defeat the main question of assumption: for, if the committee resolved that they would only assume the balances found due on the settlement of accounts, they could not say that they would now assume the whole of the State debts.

Mr. SHERMAN supposed, from the arguments of the gentlemen in opposition, that they thought it was in contemplation to assume the debts of the States contracted for private purposes; he believed this was not the intention of the resolution; at least it was not his intention; he

meant to assume nothing more than the debts of the respective States which were properly charged against the United States.

Mr. WHITE said, he did not conceive his motion to be out of order any more than any other amendment would be; it was in the nature of all amendments to militate, in a greater or less degree, against the main proposition. The same gentleman had admitted the inequality of the measure. He would ask him if the States would cheerfully submit to be taxed in support of injustice? He could not think so lightly of the sense and discernment of his constituents.

Mr. GERRY contended, that it was a mistaken idea to think of settling the accounts upon the principles contained in the eighth article of the Confederation; that ground had been found untenable, and completely abandoned by the adoption of the new Constitution. How could the Union lay an exclusive tax upon a debtor State to pay a creditor State, when it is expressly provided in the Constitution that taxes shall be apportioned according to the ratio of representation in this House. The Union cannot any longer operate on States, it must affect individuals; while, at the same time, the Constitution has secured the claims of the States against the United States. This very clause, declaring "All debts contracted, and engagements entered into, before the adoption of this Constitution, shall be as valid against the United States under this Constitution, as under the Confederation," seems to destroy the idea of a State debt altogether; for every State, as has been often explained, is a creditor, unless the Union has advanced her more money than her expenses have amounted to. If this is a true state of the case, gentlemen cannot hesitate to reject the motion for amendment, and to adopt the original proposition as it stands.

The question was now put on Mr. WHITE's motion for an amendment, and it was determined in the negative; eighteen rising in favor of it, and thirty-two against it.

Mr. MADISON then begged leave to submit a proviso to his original proposition of amendment. He believed there was but one ground upon which the assumption of the State debts could be justified; and that was, securing, at the same time, a speedy and effectual provision for the liquidation and apportionment of the expenditures of the late war. The object of the proviso was to secure this important ground; he would read it and lay it on the table for the consideration of the committee—it was as follows:

"Provided, That in case a final liquidation and adjustment of the whole of such expenditures, and provision for the payment of the balances due from debtor States to creditor States, shall not be made before the — day of —, the debts assumed shall be liquidated and adjusted among the States, according to the ratio of representation, and effectual provision be forthwith made for paying the balances to the creditor States at the expense of the debtor States."

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Mr. PARKER hoped the motion would be laid on the table, and that the committee would rise and report progress.

Whereupon, the committee rose, and the House adjourned.

### MONDAY, March 1.

THOMAS SUMTER, from South Carolina, appeared and took his seat.

A message from the President, communicated several letters and papers on the subject of the Southwestern Frontier and of the Indian Department; which were read, and ordered to lie on the table.

The petition of Richard Wells and Josiah Hart, of Philadelphia, was presented to the House and read, praying that effectual provision may be made by Congress, for rendering to the petitioners, and all other creditors of the United States in a similar situation, full payment of the paper bills of credit heretofore issued by Congress, and now in the hands of said creditors.

*Ordered,* To lie on the table.

A bill to vest into Francis Bailey the exclusive privilege of making, using, and vending to others, punches for stamping the matrices of types, and impressing marks on plates, or any other substance, to prevent counterfeits, upon a principle by him invented, for a term of years, was read the second time, and ordered to be engrossed.

### PUBLIC CREDIT.

The House again went into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. BENSON in the chair.

Mr. MADISON.—The motion which yesterday I laid on the table, upon reflection, I find to be out of order, as the principle was involved in the proposition, made by my colleague, (Mr. WHITE,) and decided against by the committee; I therefore withdraw it. But, I give notice that I mean hereafter to submit to the committee, another variation of the plan, which may be thought more consistent with sound policy; at the same time, I am persuaded it will have a conciliatory tendency. One great objection to the original proposition is, that by taking up the debts of the several States, as you find them now, you do great injustice to those States, who have, by their exertions, discharged the greatest part of the equal debts contracted during the late war: by this means compelling them, after having done their duty, to contribute to those States who have not equally done their duty. Now, my idea is, that instead of considering the debts as they are found at this moment, we contemplate them as in the state they existed at the close of the late war; and where it is discovered that a State has extinguished her debt since the peace, the State shall, in all such cases, stand in the place of the original creditor, then there will result some degree of equality; all will be benefited in due proportion. This will give the proposition such an appearance of equality and liberality, as will

do more to reconcile it, if any thing can be supposed to reconcile it, to all the States, than any thing I have yet heard suggested; but as the present is not the proper place to which such an amendment will apply, I shall delay making the motion for the present.

Mr. JACKSON said, that he had been, from the introduction of the resolutions before the committee, particularly against the one now in contemplation. That he was opposed to it, not only in its original form, but in every possible modification it might assume: that this indisposition had prevented his rising before: that although many arguments must have been used, which it was impossible for him to know, his duty compelled him to come forward, not with an expectation that his small abilities could change the sentiments of a single member, or that he should gain a single proselyte, but to show the reasons for which he opposed the measure, and to produce some facts arising in the State he represented. He confessed, that if he was in favor of any modification, it was the one which an honorable gentleman from Virginia, (Mr. WHITE,) had brought forward a few days since. As he had not been present at the former part of the debate, he hoped the House would indulge him in entering on the original ground, and pointing out the light in which the business appeared to him.

The question might be viewed on three grounds: 1st. The expediency. 2d. The public. And 3dly. The justice of the resolution.

It might be expedient, either from the pressing call of the States, who might complain of the grievance of their debts: or it might be expedient from the clamors of the citizens of the respective States, complaining of the State taxation. On the first point, he believed the States had made no such request; and that, therefore, the expediency on that head was obviated. That he had heard, indeed, that South Carolina had made some kind of application, but that one or two States could not declare the sense of the Union; it could be known only by a majority, which did not appear to demand this assumption. That, on the contrary, he believed that a majority of the States were against the proposition; and that North Carolina had made it an article of amendment, "that Congress should not interfere with the State debts," and that the voice of North Carolina, as well as South Carolina, should be attended to.

With respect to individual citizens, no complaint had been made to the House; no petitions or instructions had been forwarded to their Representatives. Here he would remark, that it was not on this latter principle he wished, at a former day, the postponement of the question, that the sense of his constituents might be known. The wish of individuals was, therefore, not ascertained by either method, and he believed that a great majority were for the State debts remaining as they are. That they were satisfied with the State taxation, by known and accustomed methods, handed down to them by

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their ancestors. Many of the States had imposed taxes in those certificates, and had extinguished a great part of the State debts, which taxes the citizens had cheerfully submitted to. This had been done in the State he represented.

He observed, that he might add a third reason, why it was not expedient to make the proposed assumption, the creditors themselves had not requested it; there was no petition, no evidence to warrant a construction that they wished it.

He would now consider its policy. Here the field expanded; he had as high an opinion of the Secretary's abilities as any man; they were conspicuous; the force of his genius was striking, and his talent in report was admired; but he was one of those who did not think the Secretary infallible. As long as he possessed human nature, so long would he possess the imperfections and failings attached to it. Ambition, laudable, perhaps, to do the utmost for the Union, might lead him too far, and the plan, evidently to him, in its policy, had reference to one of two points: First, that it is extended as an additional ligature to the Continent, by detaching the creditors from their dependence on the State Governments, and transferring that dependence to the Nation, and thereby making it the interest of the remote parts of the Union to support its measures. Or, secondly, by this specious method of relieving the States, to remove every pretext for taxation from them, and thereby throw that power entirely into the hands of Congress.

If we examine, however, the first of these positions, we shall find it will not hold its ground; for, the securities of the respective States, like those of the Continent, will change their holders; nay, they are already, to the Southward, gone from the original creditors, and are in the hands of the speculators. They will, like the Continental securities, be drawn to a point in a few commercial cities, or travel into the hands of foreigners. The ligature, if this position is true, will therefore not hold; the tie will soon be broken.

The second will better stand its ground; and I grant the whole powers of taxation may be absorbed by the Union. But, sir, is it policy to take all the powers of taxation from the individual States, and leave them with a shadow of a Government? Is it policy to reduce their power to the insignificance of a small city corporation? A majority, I believe, will be found attached to the modes and the laws of the State Governments. Some of the most zealous partisans of the present Government, in the State Conventions, in order to point out its excellencies, compared it to a pyramid; the foundation of which is the broad basis of the people, the middle or second story, the State Governments, and the top or head, the Government of the Union. Sir, let us beware, lest, in weakening this centre work, the head itself is not in danger. The system before the committee would require a multitude of tax-gatherers, who would be op-

pressive to the people; and what would the people gain, but a change of masters and customs, which they had been used to, for masters and customs they are unacquainted with?

The Union, he observed, had been frequently compared to a rope of sand; it was well to beware, lest the argument be carried too far the other way; lest this ligature, this cord, by its too great extension, may snap, and be rendered more difficult to bring together than the rope of sand divided in a dozen places.

Let us look to the policy of the former Congress. Did they ever entertain any idea of taking on themselves the State debts? Did they ever pledge the faith of the Continent to assume them? Nay, did they, when they applied to the respective States for the power of preserving the Union, I mean the five per cent. ever dream of discharging those debts? Or did any of the States require it? The Constitution did not contemplate it; for that provides for the debts of the Union only, and many of the State debts are not of a Continental nature, and ought not to be a Continental charge; of this kind, I hold the Penobscot expedition from Massachusetts, and the fitting out the ship South Carolina by that State. If States choose to run into those balloon exploits on their own account, their neighbors ought not to pay for it. The intention of the present system, I imagine, is to introduce all those charges.

Policy, he said, was against the assumption. Many of the States have material objections, and will view the interference with a jaundiced eye; and notwithstanding what gentlemen so frequently ridicule, of monsters and hydras, jealousies will arise, and perhaps, from the nature of Republican Governments, it is necessary they should. I think, at least, that there will be a just foundation for them in the present instance; for will the citizen, who has already paid his proportion of the debt to his State, contentedly see a new burthen imposed on himself and his posterity—a burthen we know not when we shall be rid of—a burthen we know not the weight or amount of?

Again, sir, is it policy as it relates to public credit? Paper, of whatever denomination, whether stock or not, will be affected by the quantity in circulation, and will be depreciated accordingly. Policy on every principle forbids it; policy forbids us, in the vigor of youth, to clothe ourselves with all the impotence, imbecility, and infirmity of extreme old political age. Britain was seventeen hundred years politically old, dating from Julius Cæsar's invasion, before she had a funded debt. The United States have scarcely attained their fourteenth political year, when they are about to mortgage themselves and posterity for a funded debt; the one-third, or perhaps the one-half of the amount of Britain's enormous debt at this day.

He observed, that the justice of the measure had as many objections.

The greatest plea of justice was, that the debt was of the same nature, and contracted for the

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same reasons, and in the same cause. His arguments before, had proved this not to be altogether the case; but supposing it was, he asked, whether it was justice to compel the citizen, who had already contributed, to pay a second proportion? Gentlemen had talked much of the exertions of their States; the hardships they had endured, and the ravages they had sustained. He could advance, with equal confidence, that he came from a State which had suffered the most of any in the Union; where there was no place, no corner but where the British arms had been carried; where the families had been wholly driven off, and their property had been totally destroyed; where the inhabitants had scorned the British protection, and left their property behind them; where, what the British had left the army had taken to subsist on, and not a certificate had been given in numerous instances. Yet those citizens whose property had been thus destroyed, had cheerfully submitted to the payment of the State debt. But would it be justice, after all those losses, and after this already voluntary contribution, to put our hands again in their pockets, and say, you must pay the debts of Massachusetts and South Carolina? If those States have not done as they ought; if they have not extinguished their debts, they have themselves to blame for it.

Sir, in Georgia the audited debt has drawn no interest; interest has been allowed only on a small proportion of funded debt; for we also, Mr. Chairman, must have our project of funding, until we are convinced, by experience, it would not answer; and that we could not pay a regular specie interest. By this plan, sir, all those audited certificates will draw interest from the time of liquidation, which will greatly increase the debt of Georgia, and not benefit her citizens. For the late speculations, no doubt, have changed the holders of certificates, and the very man who did the service, or furnished the supply, contented with the principal sum, will now have to contribute his proportion towards payment of the interest of his own certificate, and to which he himself was not entitled.

By the system before us, the settlement is postponed to a distant day; a day which never may arrive, and notwithstanding the balance may be in favor of the State I represent, the citizens may be for ever bound for the interest of this enormous debt; the debt of other States.

There is another part of the Secretary's Report which will materially injure Georgia. The proviso, that where a State shall have exchanged the securities of the Continent, for those of her own, no settlement shall be made until those exchanged certificates shall be brought in and surrendered. The State of Georgia, little thinking of such a day as this, although very materially concerned, has, as it was usual with her, burnt her exchanged certificates, as they have returned to her Treasury. Is she, because those certificates have been sunk and sent to oblivion, and which I wish our whole debt was, to suffer for her honesty and that of her citizens?

Sir, I will not tax the Secretary with the design; I will not impute the intention to him; but I trust that we shall not run ourselves enormously in debt, and mortgage ourselves and our children, to give scope to the abilities of any Minister on earth, to give an opening to show the talent he possesses of managing taxes, and the resources of this country, to rid us again of the burthen he imposes.

Mr. J. concluded, by saying, that to his mind, and agreeably to the reasons he had given, he was convinced the assumption of the State debts was inexpedient, impolitic, and unjust; and he trusted that the measure would not be adopted.

Mr. SMITH (of S. C.) said, he should be as unwilling as that gentleman to assume the extravagant debts of any State, incurred for balloon expeditions, (as they had been termed,) but he did not think the Penobscot expedition, or the South Carolina frigate, came within that description; the members from Massachusetts could answer for the former, and as to the latter, he could safely say, that the State of South Carolina suffered such injury to her commerce during the war, that a naval protection was indispensably necessary—that other States were protected by vessels of war on Continental establishment, while the State alluded to was unprotected, and her trade crippled by the enemy—that the equipment of that vessel had cost a much less sum than was generally believed, as but a small part of the sum demanded had been allowed by the State. He observed, that as the General Government was under obligations to protect every part, so was it also bound to contribute a proportion of the expense, incurred by any particular part for its own defence—that this was language which had been often repeated during the last session, when the House had been called on to vote a large sum of money for the protection of Georgia from the Creeks; and that State would have justly complained had she been left to protect herself, and to incur so heavy a burden alone. He said, the opposition of gentlemen to the measure seemed to originate in an idea that these were the private debts of the several States, incurred for their own particular purposes; the fact was entirely the reverse. They were as much the debts of the Continent as those which were called the Continental debts—they were as much the price of independence. Instead of their being State debts, assumed by the Continent, they were, in truth, Continental debts, which the States had assumed when Congress were unable to pay them; but now Congress had in its exclusive possession the best resources of the nation, and should all those resources be applied to the payment of a few Continental creditors, (and they had been frequently told that all the Continental securities were in the hands of a few speculators,) to the total ruin of all the State creditors? It was easy to anticipate dangerous consequences. Indeed, such would be the dissatisfaction on the part of the State creditors, that it would considerably obstruct the collection of

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the national revenue. There had been no reason assigned, and he believed it was impossible to assign any, which could establish a distinction between the one and the other class of these creditors—their claims were precisely similar, and they ought to be provided for on similar terms. Gentlemen were mistaken if they thought South Carolina had made no exertions to discharge her debt since the peace; that State had levied on her citizens every year a tax, which, considering her losses by the war, and the devastations committed by the enemy, was a very considerable one, amounting to upwards of three hundred thousand dollars annually for the interest, besides a million and a half of dollars principal paid off, making upwards of three millions of dollars.

It had been said, that Great Britain was seven hundred years old before she began a funding system, while the United States are about to adopt it at the age of fourteen; to that he observed, that America is nearly, if not quite, as far advanced in political sagacity, in her early youth, as Great Britain in her extreme old age; having the experience of Great Britain, and of other nations during a long course of years, as her guide; and that he always thought the vigor of youth was more equal to the support of heavy burdens than the infirmity of age. He agreed with the gentleman, that if the measure be a wrong one, the sentiments of one or two States should not influence their determination; but he was persuaded, that on a discussion of its own merits, it would be found necessary for the union and tranquillity of all the States.

Mr. JACKSON.—The gentleman from South Carolina has said, that the State debts were all on a footing with the debts of the Union, and that on this principle, Georgia had received protection last year, and might receive more this; to which I reply, that if Georgia has received protection, it has not been with the vote of some members from that State, who, supposing, as I will charitably allow, that the Georgians, and not Mr. *M. Gillivray*, were in the wrong, have withheld their voice; however, in my opinion, the cases are not the same. But I deny that Georgia hitherto has received the least shadow of protection from the Union; although the most favorable report is existing of their conduct on the table.

That the cases are not similar, because, in the case of Georgia, there was an invasion of the Union; whilst, in the case of the ship South Carolina, which he had mentioned, that State had done what they were not warranted in by the laws of Congress or the Confederation—the fitting out ships of war; that that State was not contented to be on an equality with her sisters, but aimed at a high sounding fame, of possessing vessels of war in her own employ. That here, he would remark, that as well in this case, as in that of the State vessels of Massachusetts, it could not be expected that the Union should defray their expense. He would ask, if any of the prize moneys of those vessels had been

lodged in the Treasury of the Continent? He believed it had not been the case; and if it had not, the States which had reaped the benefits ought to pay the charges.

The gentleman has insinuated, that as Georgia had allowed no interest, or could not pay the interest of her funded debt, she certainly could not have discharged much of her debt. He would put that gentleman right on this head, by assuring him, that although Georgia had not specie sufficient to discharge the interest of her funded debt regularly, yet she had sunk some hundred thousand dollars of her principal debt.

The question was then taken on the motion proposed by Mr. MADISON, which was agreed to unanimously.

Mr. MADISON.—I conceive it now to be necessary to bring before the committee the fourth alteration in the proposition for assuming the State debts, which I suggested when I was up before—it is as follows:

“Resolved, That the amount of the debts actually paid by any State to its creditors, since the ——— day of ———, shall be credited and paid to such State, on the same terms as shall be provided in the case of individuals.”

In filling up the blanks, I propose to contemplate the debts as they stood at the termination of the late war; if the exertions of the respective States were, at that period, equal, and it is presumable they were, this will be doing justice to those, who, by superior exertions since, have extinguished a considerable part of the capital, and will consequently lessen the inequality which may be charged on the original proposition. I believe it is not liable to any objection which does not lie with greater force against the original proposition. The whole subject is very delicate, and perhaps cannot be made universally agreeable; but I think this amendment will free it from many of the evils which gentlemen apprehend.

Mr. JACKSON did not think this would remedy the evil he complained of; it would oblige the citizens to pay their taxes over again; and he did not approve of laying greater burthens on his constituents than they were, in justice, bound to bear.

Mr. MADISON admitted that it would not give effectual relief to the citizens of those States who had sunk a great part of the principal of their debt. His only object was to give every State an equal advantage, as far as was practicable upon the plan of the assumption.

Mr. AMES.—Gentlemen have repeatedly told us, that they are not opposed to the assumption, provided the liquidation and final settlement of the accounts was speedily to take place. I give them credit for their intentions, and I will not presume to impute to any gentleman so unworthy a motive as a desire of throwing embarrassments in the way of this business. But the amendment now laid on the table seems to be grounded on an idea, that the assumption of the State debts will impede the liquidation and ad-

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justment of the accounts; or, at best, that it will not tend to facilitate the accomplishment of that object. Upon the hypothesis that the accounts will not be settled, the gentleman seems desirous of doing what he thinks most consistent with equity, regardless of the inconvenience and oppression which must follow; but which, I presume, he would not contend for, if he was satisfied that proper measures would be pursued to attain that object.

Now, in order to answer the purpose which gentlemen seem to have in view, I have prepared some resolutions, which I mean to bring forward at a future period, when a fit opportunity presents, that is, after the other propositions are decided upon. I will read them, and then lay them on the table for the information of the committee.

*Resolved*, That effectual provision be made for the settlement of the accounts between the United States and the individual States.

*Resolved*, That in the said settlement, the States respectively be charged with the advances to them severally made by the United States, liquidated to specie value, with interest thereon, at the rate of six per cent. per annum; and that they be also charged with the amount of their respective debts (which, with the consent of the creditors, shall have been assumed by the United States) with the interest thereon to the time from which interest shall be payable by the United States.

*Resolved*, That in the said settlement, the said States respectively be credited with all moneys paid, and supplies furnished to or for, and debts incurred on account of the United States, and, in general, with all expenditures whatsoever, towards general or particular defence, during the late war between the United States and Great Britain, with interest thereon at the rate of six per cent. per annum.

*Resolved*, That the said settlement be made under the direction of the Commissioners, whose authority shall continue until the said settlement shall be effected, and whose decisions shall be final and conclusive upon the United States, and upon the several States.

*Resolved*, That in case a ratio for adjusting the contributions of the respective States shall not be prescribed by Congress during the present session; the said Commissioners shall have full power to settle such ratio, and shall also have power to determine, in all other respects, the principles of the said settlement, in conformity to these resolutions.

*Resolved*, That the several States may exhibit their claims against the United States until the — day of — next, but not afterwards, and that the said Commissioners shall, as soon as may be after the said day, proceed to a final adjustment of the said accounts, whether the whole of the claims of the respective States shall have been then exhibited or not.

Under these resolutions, the Commissioners are intended to be authorized to proceed *ex parte* if the States should be inattentive to its conditions; and the business must be completed by a given day. If Congress should be unable, or unwilling to ascertain a ratio, the Commissioners will be empowered to fix one, independent of any other authority; by which means we

acquire a moral certainty that a final settlement may soon take place, and equal justice be done to all.

MR. SEDGWICK.—I do not know that I shall vote against the propositions offered by my colleague; but I am afraid of going into an investigation of a subject not immediately relative to that under consideration. I wish that all our attention should be confined to what appears to me to be of the greatest importance, until we have gone through with it. The amendment, which has been unanimously agreed to, I considered as, in some degree, improper to be connected with the original simple proposition; but as it appeared to have made a favorable impression on the gentlemen from Virginia, New York, and Pennsylvania, I readily withdrew my opposition. But to the one which is now brought forward, I cannot so readily acquiesce. If I understand it rightly, it goes to this, that each State shall have an immediate allowance for all the payments they have made, on the debts due by them at the conclusion of the war. I doubt whether it will not be as difficult to ascertain what has been paid since 1783, as it would be to ascertain all sums paid since the commencement of the Union. If this is the fact, I cannot see any good reason for stopping short; why is it not proposed to go to the commencement of the Revolution? Why is it supposed that the inequality of exertion is greater now than it was during the war? The most liberal presumption is, that the States which made the greatest exertions during the war are only equalled now by the exertions made by the other States since the peace. South Carolina and Georgia made great exertions during the war; but the exertions of South Carolina, having more exhausted her during the first period, she has been unable to do so much as her sister States during the second.

I believe, upon the fair adjustment of the exertions of the respective States, what I have supposed will be found to be the case. I am not influenced by the interest which Massachusetts has in the question; for, since the year 1783, I am confident she has contributed much beyond my apprehension of her ability. I fear that in attempting a partial equality, we shall destroy the principle upon which the original proposition rests; and, therefore, I wish to let all the advances made by the several States await the final adjustment of the accounts.

MR. MADISON.—When I was up before, I explained my ideas in general terms. I supposed the assumption of the State debts, on any principle, would be liable to strong objections, some of the objections are of a political nature, and some on principles of economy. The operation of it will, undoubtedly, be unfavorable to some States, in both respects; the distant States especially. There is no other way to obviate these objections, than by making our measures subservient to the ultimate settlement of the accounts between the United States and the individual States, as in this alone can equa-



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lity be found. So far, then, as this object is kept in view, it may have my approbation; but on no other condition.

I wish the gentleman had stated his objections to my motion in a determinate manner, because it might then have been discovered upon what principles it is wrong; but, for my own part, I do not see any thing he could urge against it, but what would lie with greater force against the proposed assumption.

A great inequality must take place, if the existing debts only are assumed; this cannot fail of giving umbrage to a great proportion of the citizens of the United States; but the displeasure may be lessened as you lessen the inequality, and the evil will be rendered more supportable.

It was observed, that by transforming the debts into Continental debts, it would circulate the revenue pretty generally, in the respective States in which it was collected—the amendment will do this more effectually; and if any thing can compensate the States for the taxes which the General Government must lay, in case of the assumption, it will be that the revenue is absorbed by the citizens of the States within whose limits it was collected; but it has been demonstrated that the consequences would be the reverse; the moment you transform the State into Continental debts, they will pursue the same course—they will flow to the centre of the Union, and the distant States will receive no regular returns in the form of interest for the sums collected at the extremes of the Continent. This will operate as a very powerful objection, and can only be counteracted by adopting the present motion, which will throw into the State Treasuries certain annual returns, to be distributed again among the citizens of the State. I do not suppose that the amendment would make the measure perfectly agreeable; but I think it would render it less unpalatable, and tend to give some degree of satisfaction—to this end are directed all my efforts; if any person says they appear to him in any other light, I shall not attempt to answer him in any other manner than by appealing to the general import of my conduct, both within and without these walls, for the rectitude of my intentions.

Mr. GERRY said, any measure calculated to postpone the assumption of the State debts until the final liquidation of accounts would be attended with injurious consequences; nay, he did not know but it might tend to destroy them altogether. For if the assumption is to affect the Federal creditor, he will endeavor to prevent the accomplishment of a business which will have a mischievous effect upon his property. Every State, which is a debtor to the United States, will be influenced in the same cause, and the final settlement will be prevented.

Gentlemen who are so desirous of delaying the business, will find that their efforts will have one effect; that is, they will depreciate the securities in the hands of the holders, and thereby injure the State creditors, and that at

a time, too, when it is pretended we mean to support the public credit, and do them justice.

There are also great objections to the motion now before the committee. First, it will increase the debts of the United States to an enormous height; second, it will embarrass us in making provision for the payment of the interest on a capital so much accumulated; and third, by this increase of the debt, we burthen unnecessarily the citizens of the United States. Most of the States have made some progress in diminishing their respective debts; where, then, can be the use of funding debts actually extinguished? No State can be desirous of taxing its citizens merely to have money in its treasury; such oppression would be likely to raise a clamor against having any funding system at all. If a State shall have paid one million two hundred thousand dollars, and her proportion is found to be one million, there would be a propriety in assuming the two hundred thousands but to fund the whole demand, when it was already extinguished by the State, would be impolitic; unfunded, its fluctuation is injurious to every person concerned with it, as well as to the national honor and credit.

Mr. FITZSIMONS had two objections to the motion; the first was that it would not have the equal operation which the gentleman intended; and the other was, that it would increase the aggregate of the domestic debt to such a degree as to disable the Government from making a proper provision for the payment of the interest. It would not operate equally; because some States have paid, since the peace, considerable sums upon the requisitions of Congress, which payments do not appear to be included in the motion; while other States have applied the money they raised to the sinking of the proper State debts; those who complied with their duty would get nothing, while the delinquent States would be rewarded.

The inconvenience of increasing the debt was so self-evident, that he did not mean to urge any thing in proof of it; but contented himself with assigning these two reasons for his voting against it.

Mr. SEDGWICK said, he had not the vanity to suppose any thing new which he could say would authorize him to expect the already exhausted patience of the committee in an extensive discussion of the vast subject before them. He would, however, call on the candor of the gentlemen who so strenuously opposed the proposition under consideration, for an attempt to answer some of the arguments which had been repeatedly advanced by himself and the gentlemen with whom he had the honor to think and act on this occasion. He observed that the revolution was a common, a national cause; that, therefore, the expense should be equally apportioned; that whatever had been advanced towards the attainment of the object, should be satisfied, if within the ability of the Government; that if the whole could not be paid, the loss should be sustained in equal and just proportion.

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That these were the dictates of common justice and common honesty, and universally considered as conclusively binding in the usual intercourse of men in civil society: that thus considering the subject, he thought the States, now staggering under an unequal weight of burthen, had a right to demand of this Government the adoption of the proposed measure. He further observed, that this demand for justice would appear the more reasonable, when it was considered that the Government would not, should the resolution be adopted, sustain any loss; for that it was in fact true, as had been repeatedly stated, that should the debts be assumed, there would still remain a balance due to every State; because there was no State, which, since the commencement of the war, had done more than to support the expenses of its own Government, and all its other incidental charges: that this would be evident, when it was remembered, that the whole with which a State could be charged, would be the debt to be assumed, together with what had been heretofore advanced to it; and, on the other hand, it would be entitled to a credit for all its advances and services. In this view of the subject, which was the just one, he wished gentlemen would explain why the Government should delay to put the citizens on a footing of equality.

He observed that the accounts of individual States with the United States would ultimately be settled, or they would not. If the former, then justice would be done to all; if the latter, the only charitable and liberal supposition would be, that the States had equally exerted themselves in their glorious struggle for freedom.

He further wished gentlemen would explain to the committee and to the world what were their intentions in regard to the State creditors, who it had been proved were entitled with others to justice. He affirmed, that as it respected some of the States, no efficient measures of national finance could be carried into execution, and at the same time leave the States an ability to fulfil their engagements—engagements entered into at a time when they were in possession of funds which were fully adequate to the purpose, and which funds were now surrendered to this Government.

Mr. MADISON.—The gentleman from Massachusetts says that my objections to the assumption goes against funding altogether. I believe funding in any shape to be an evil; but it is an evil we are obliged to submit to in one case, but not in another. I did not concur in the second and third propositions because I thought them beneficial, but because I thought we were under indispensable obligation to provide in the best manner we were able for the performance of our engagements; but with respect to the State debts, I feel no such obligation; the cases are widely different.

The original proposition does not draw any distinction between those debts of the States which were contracted for the general or particular defence, or those contracted for private

purposes; neither have I made any distinction in the amendment, presuming that if the first can be adopted, the latter may with equal ease be assented to; and nothing can be urged particularly against the last. It is said that the amendment will increase the amount of the debt; no doubt it will be a considerable addition; but then I do not conceive this furnishes any more an argument against it than it does against the assumption of the debts in the hands of individuals; yet at the same time the satisfaction it will give the public at large, will more than overbalance the inconvenience arising from the increase of the debt.

I admit that there will be some inequality arise, but is there not much greater inequality attached to the original proposition? I venture to say, so far as can be determined from probability, that some States, which will be ultimately creditors of the United States, will be called upon to pay much more than the States which have not made equal exertions. As we cannot altogether avoid the inequality, I think it prudent to attempt to lessen it. Unless something of the kind is adopted, I think the progress of the business will meet with considerable delay, perhaps it may miscarry altogether. Few States, I apprehend, will be willing to incur a load of debt for which there is not a pressing necessity, and rely upon the final settlement of accounts for redress. Nay, the gentleman from Massachusetts, (Mr. GERRY,) who is now so arduous in pressing the business, urged the other day some strong arguments against extending indulgence to delinquent States, at the expense of the States which had complied with the requisitions of the late Congress; if it was improper to allow a State to take advantage of its delinquency in neglecting to pay its quota of indents, surely it is as improper to permit them to benefit by neglecting the proper exertions to pay their debts. Upon the whole, I conclude the amendment would tend to equalize the burthen, and by making it more acceptable to our constituents, the good would counterbalance the evil.

Mr. SHERMAN judged it was best to pass over the propositions as they stood; because they were in a simple form, for he feared if they were too minutely detailed, or modified with opposite qualities, the business would acquire such a degree of complexity as to render it difficult to proceed. He was dissatisfied with the amendment, because it contemplated what would be very inconvenient, not to say oppressive and unjust. He said the circulation of the revenue would be very agreeable to the greater proportion of the inhabitants; because the evidences of the State debts were generally in the hands of the original holders. He had made particular inquiry into this circumstance, and so far as it respected Connecticut, he was led to believe it was true of nineteen-twentieths. There were one hundred thousand dollars in specie in the hands of the original holders in the very town in which he lived. He believed

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very little besides the army debt had been transferred in that State; and even of the army debt, it was only that portion which fell into the hands of the soldiers.

Mr. LAWRENCE said, he was as much disposed to promote the settlement of the accounts between the United States and individual States as any gentleman on that floor; he was satisfied that the citizens of America would not consider that equal justice was done to them, until the settlement took place; and he supposed that the assumption of the State debts would be a strong inducement to bring about that desirable event; but he feared that if the debts already extinguished by the respective States were likewise assumed, that the desire which he believed was pretty general throughout the Union, would be greatly abated; the present opinion entertained by the citizens of each State respectively is, that their particular State will be found to be a creditor State, and that a balance to a greater or less amount will eventually be found to be due to them; while this opinion prevails, it is clearly seen that the final liquidation and settlement of accounts will be equally promoted; but if the debts extinguished by the States be now refunded to them, no State will be particularly solicitous to bring about a settlement which will put nothing into her pocket. Thus we shall perpetuate the inequality of exertion which is complained of; but this consequence does not follow from assuming the claims in the hands of individuals; and in proportion as a State has claims against herself, she must have charges against the Union; and though the desire of a final settlement may in some degree subside, inasmuch as you lessen the balance due, yet there is no good reason why we should distrust the final adjustment of the accounts; for though a State will not have to receive so much upon the accomplishment of that event, yet she will have to receive something.

The honorable gentleman who has brought forward this motion has told us it is not liable to any objections, other than those which lie against the original proposition. Here I must beg leave to differ from him, because we know the amount of the State debts still due; but we know nothing of those which have been redeemed; it would therefore be taking a dangerous leap in the dark, and engaging to perform more than we may be able to accomplish. He has also mentioned the great inequality of exertion which his motion is intended to correct; but how can he assure me that the inequality will not be rendered still greater? It was a common complaint during the war, that some States did not make those exertions which they were bound to make; if this remark was founded in justice, we may return to a state of greater inequality than the present.

It ought to be recollected that the provision to be made for the payment of the interest on the State debts is not contemplated to commence before April, 1792, and that there is

at this moment a Board of Commissioners fully authorized, and are busily employed in the settlement of the accounts. Perhaps by the time that Congress are about to pay the State debts, that is, that part of the State debts which is in the State treasuries, it may be found, from the settlement of these accounts, that nothing, or less than what we are about to assume, is due. From all these considerations I am induced to believe that we had better adopt the original proposition without this amendment.

Mr. MADISON.—The gentleman from New York seems to suppose that the assumption of that part of the State debts which have been redeemed since the peace, will impede the final settlement of the accounts; because it will diminish the desire of some States to bring that measure to a conclusion. Does, then, the ultimate settlement of the accounts depend on the disposition of particular States? If it does, there arises a necessity of assuming the whole, instead of a part only of the debts; because, if justice is never to be done, the inequality ought to be diminished as much as possible. If the settlement does not depend on any contingency, but will, as he has said, be accomplished in two years, there can be no necessity of adopting either the original proposition or amendment; because it is not contemplated to make provision for the payment of the State debts until April, 1792: the period by which it will be known whether any thing, or what, is due to each State respectively.

I am afraid, I confess, that notwithstanding every step which may be taken, there will be unforeseen difficulties in the final liquidation and adjustment of the accounts; and I am persuaded if that measure should miscarry, the assumption of the existing State debts will work indeed an enormous injustice. If we can reduce that event to a moral certainty, and be sure that it will speedily take place, we may delay the assumption, with great propriety, until its accomplishment.

Mr. LAWRENCE supposed that a State which was in the receipt of interest for three millions of the debt, which she had already drawn into her Treasury, would be less desirous of bringing about a settlement, than she would if that money was only to be paid when that event had taken place. It would be a much stronger temptation to delay, than if interest was paid only on the debt in the hands of individuals.

Mr. AMES said, the gentleman's proposition went upon the idea that the exertions of the States were more equal during the war than they have been since the peace; but what evidence has been adduced to establish the fact? None. Then he was as much at liberty to deny the assertion as the gentleman to make it. He presumed, and it was a liberal presumption, that the exertions of the States were, at this moment, equalized; it became the duty of Congress, then, to assume that part of the State debts which was yet outstanding. He thought they ought to await the final settlement; it

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would be making a provision *ex abundanti*, and undertaking to pay debts already discharged, to the injury of the real creditors of the United States. Let gentlemen consider, said he, whether the resolutions I proposed this morning are not more likely to produce a final settlement than the one now under consideration, and consequently more likely to bring about the equality which gentlemen solicit; but if they are desirous of truly equalizing the burthens already borne, I submit, whether it would not tend to produce that effect, by repaying the States all the money expended during the war? A reimbursement of this kind would do justice to all; this, like the proposition of the gentleman from Virginia, would make the State Treasuries rich, but it must be by making the citizens poor; this would be realizing the assertion of the gentleman, it would indeed be true, that a public debt is not a public blessing.

Mr. JACKSON had said before, that he was of opinion the amendment did not obviate the objections he had to the assumption, but it certainly lessened the inequality which would follow a partial assumption, and therefore he would vote in favor of it. He thought the gentlemen who were in favor of assuming the State debts in the hands of individuals, to the amount of twenty-five or thirty millions, and hesitated to adopt the amendment, were straining at a gnat and swallowing a camel. The principle that reached a part might easily cover the whole.

Mr. MADISON.—The gentleman from Massachusetts thinks my principle would go to cover all the debts contracted during the war. I ask what is the intention of the gentlemen in favor of the assumption? What are their arguments? Do they not all go to such an assumption? And if we make such assumption, will any gentleman contend that we ought to assume only the unpaid debts? Why shall we not assume the paid also? Has there been an argument adduced which favors the distinction?

With respect to refunding what a State has advanced, I have to remark that refunding must any how take place, if Massachusetts and South Carolina shall be found debtor States, which will undoubtedly be the case, when we consider the sums to be assumed on their account, they must eventually refund what is now advanced them. If there must be a refunding by some State, that objection will go for nothing.

Mr. AMES said, he had no idea of funding more than the surplus of what the States had paid more than their quota, as the same should appear upon the final settlement of the accounts; for he imagined the debts paid by the States were subjects of liquidation and adjustment, but not of funding; neither did he think it necessary to anticipate a fraction on that account. But how would the measure operate? Is there a citizen in the United States who would be grateful to the Government for taxing him, in order to pay money back to him again? Certainly he would be put to some inconvenience, besides losing the expense of the collection.

How could it benefit the States? For my part, I cannot understand an interest of States subsisting, different from the interest of the citizens of the State. Will it do justice to our creditors? It will render the funds for that purpose precarious. Is it to fulfil the contracts of the United States? The United States have made no such contract. In short, it is a departure from the principles of the Secretary; after such a breach in his plan, he can no longer be responsible to this House for its consequences. It is an arbitrary grant without principle; it may increase, instead of diminishing the inequality. As to Massachusetts being a debtor State, Massachusetts never was afraid to meet the strictest investigation. She knows her exertions were not behind those of any State in the Union; we do for her nothing more than the equal justice she is entitled to. I firmly believe the same is true, as it respects South Carolina. That State was stripped of her property, and ravaged from end to end; assume her debts incurred by superior exertions in the common cause; for her exertions were equal or unequal; if unequal, no doubt but they ought to be assumed; if they were equal, the arguments drawn from inequality vanish into air. Nor will the plea of inability excuse us; if South Carolina is able to struggle under an oppressive and unequal burthen the United States can bear it with greater ease.

Mr. LEE.—I confess there may be some policy in assuming the State debts, if it can be done equally and fairly; but this must depend altogether, I take it, upon the final settlement of the accounts. I think no member of this House, who regards the great principle of equity, can assent to such assumption without the strongest assurance that the event, which only can equalize the burthen, will take place as speedily as possible. I know that the subject is a matter of the nicest delicacy, to which the jealousies of every State are extremely alive; and unless our measures are conducted with such equanimity and undisguisedness as to allay those jealousies, and remove suspicion, I fear, however they may be carried through this House, they will give general dissatisfaction. If, under these circumstances, the United States were to assume the State debts due to individuals, the measure would be so evidently partial that I dread the consequences; nothing can make the business of assumption an agreeable thing; but we ought to endeavor at it as much as possible; we ought to regard with attention every proposition likely to induce an equality. Under this impression, I flattered myself that the amendment proposed by my honorable colleague would have met with no opposition; but that the friends to the assumption would readily agree to a measure, which they cannot but think a considerable improvement on their plan. If their object is to strengthen and cement the Union, they ought, in order to be consistent in their views, readily to embrace a motion which has evidently a de-

sign to reconcile a considerable majority to their scheme, without which it can never be supportable. I am sorry to say, however, that they discover no disposition to accommodate. Being thus disappointed, I think it becomes my duty to warn gentlemen of the dissatisfaction they may occasion, and what may be the consequence; perhaps a new modification of the Government itself. The earnest and pathetic debate which had taken place demonstrates most clearly to my mind, that the State debts ought not to be assumed but upon the final settlement of the accounts; this, it is said with confidence, may take place in two years; if it may be accomplished in two years, and it is not intended to make any provision for the payment of the interest before that period, even if we now agree to the assumption, I cannot perceive any real utility which attends this measure. If it cannot be accomplished in so short a time, it will be prudent in us to prepare such a plan, as will give it the greatest possible degree of acceleration. If, after this, we should assume, we ought to fix upon such a time for it to commence, as is most consistent with equity; if there is a moment, at which it is fairly presumable that the exertions of the States were equal, it must be that of the termination of the war; after each State had been successively invaded by the enemy, and by its own and the joint exertions of its neighbors had gallantly repulsed them from the margin of their shores. During the conflict the whole machine was wound up to its highest pitch of exertion; self-defence was the great principle which roused to action, and operated on the patriotic band with equal energy; it stimulated the Eastern and Western inhabitants; it spurred on the Northern and Southern citizens, and no one was behind the other in using their utmost efforts, according to the strength with which they were invigorated. The incentive to exertion evaporated after the peace, and the endeavors of some States were suspended; hence has ultimately arisen that inequality which is now complained of. If gentlemen mean sincerely to equalize the common burthen, let them apportion it as it was to be found at the moment of equality. If you assume any, assume all the debts due by the States respectively at the termination of the war. The assumption upon other principles would not only be distasteful to Virginia, but it would be unjust, and unjust towards every State which had made equal exertions during the war, and superior exertions since the peace.

But, sir, I do not wish the decision to be hurried, it is now near the usual hour of adjourning; I therefore move the committee rise.

Whereupon the committee rose, and reported progress.

TUESDAY, March 2.

The engrossed bill to vest in Francis Bailey the exclusive privilege of making and vending certain punches, for stamping the matrices of types, &c. was read the third time and passed.

A petition from George Scribe, was presented and read, praying to be permitted to purchase of the United States, a tract of Western Territory, not less than two millions, and not exceeding four millions of acres, on the terms therein stated. Referred to the Secretary of the Treasury.

The Speaker laid before the House, a letter from the Secretary of the Treasury, covering his further report and estimates of extraordinary expenses for the services of the current year.

Mr. FITZSIMONS moved to refer the foregoing report of the Secretary of the Treasury to a Committee of Ways and Means; but on the suggestion that a different reference would be more proper, he withdrew it.

Mr. WHITE moved that the Secretary of the Treasury be directed to ascertain the resources that may be applied to the payment of the State debts, provided they should be assumed by the United States.

Mr. CARROLL seconded this motion, because he thought it essential to the honor of the House, that they should observe a degree of consistency in their measures. The Secretary of the Treasury had suggested the propriety of making effectual provision for the payment of the foreign and domestic debt; this suggestion was accompanied with a detail of the ways and means. Is it not equally requisite to be acquainted with the ways and means of making provision for the payment of the State debts, before Congress undertake to assume them? No gentleman, he hoped, would deny the propriety of acquiring as full information on this subject as they had on the other, before they determined the question.

Mr. LIVERMORE said, the Committee on Appropriations, of which he was a member, had not been able to proceed with the business referred to them, for want of a complete estimate of the expenses of the current year; they had stated their difficulty to the Secretary of the Treasury, and he presumed the present report was made in consequence, he therefore hoped it would be referred to that committee; but he did not understand the intention of the motion made by the gentleman from Virginia; the Committee on Appropriations had never been instructed, with respect to the State debts, nor did he believe it was the intention of the House to do any thing in that business at the present session.

The report was now referred to the Committee on Appropriations, and the House proceeded to consider the motion made by Mr. WHITE, when

Mr. LAWRENCE suggested the propriety of letting it lie on the table, for at least one day, as it was a question of considerable importance.

Mr. PAGE conceived the motion to be improper, because it seemed to infer that the House had agreed to perform what the Secretary had recommended; it was precipitating themselves into a situation, from which their retreat would be difficult and embarrassing,

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upon the supposition that they should ultimately decline the assumption; he therefore hoped his colleague would withdraw the motion, or that it might be rejected.

Mr. WHITE said, he had no objection to letting it lie on the table, provided it was understood that the proposition to which it related, should not be adopted until the merits of his motion was discussed.

Mr. LAWRENCE would not press the gentlemen to let it lie on the table, if the House was prepared now to decide; for his own part, he had no hesitation; he knew that the whole amount of these debts must be paid by exertions of the United States, in their joint or separate capacities, and he was well convinced, that a uniform revenue system, under one general pervading authority, would produce more, and with less oppression than the efforts of thirteen separate Governments. If gentlemen were impressed with the same sentiment, they were as competent to decide without knowing the ways and means contemplated by the Secretary, as they could be under the most accurate detail. No alteration could be made in the principle, by a knowledge of the resources, and he presumed it was upon principle only which gentlemen meant to decide.

Mr. SHERMAN was of the same opinion with the gentleman from New York, and apprehended no other consequence would result from the adoption of the motion, but to delay the principal business.

Mr. LEE.—On a subject so important as that of providing for the support of public credit, we ought to have before us the fullest information which our situation enables us to attain. We ought not only to see precisely the extent of our debt, but the means of providing for its payment. If we assume the debts of the respective States, and add them to the debt due by the United States to foreigners and citizens, the accumulated whole may form an aggregate so vast as to exceed our ability to provide the sums necessary to a punctual performance of our engagements. Any future failure, in this respect, will level to the ground the fabric which we are endeavoring to raise; if we now promise to do more than we are able to perform, we shall perhaps altogether destroy the public credit; when we consider the stake which we venture, we ought to take every prudent step to insure our success. For my part, I see no other resources presented to us, but the impost and the excise; at the last session, the first of these revenues was extended as far as was thought advisable; but I presume it is now proposed to be carried as far as is practicable. The other is obnoxious to a great part of the United States; perhaps, under such circumstances, it might be ill judged to extend it so far as to a general excise. If these sources of revenue are but adequate to supply the necessary funds for the foreign and domestic debt, I presume we are to have recourse to direct taxation, in case we assume the State debts; twenty five

millions of dollars can hardly be provided for out of the surplus of the impost and excise. How far it may be proper for this Government to lay direct taxes, without an evident and absolute necessity, is a subject which ought to have considerable influence on the minds of those who are to decide the question of assumption; I flatter myself, then, the Government will resolve to see their way clearly before they enter into a scheme from which there is no retreat, but by the loss of public faith, or the oppression and ruin of their constituents. I trust they will now decide upon the motion of my colleague, and decide it in the affirmative, if for no other reason, for the sake of consistency.

Mr. SENGWICK.—It appears to me, that we are rather unfortunate in having our attention diverted from the main object to collateral circumstances; it tends, in my opinion, only to procrastinate the determination of a question which the public loudly calls for, without aiding our deliberations in the smallest degree. I believe every gentleman, who is convinced that the State debts ought to be assumed, goes on the idea that they are obligatory on the Union, and that the United States are bound, in honor and in justice both, to discharge them. If our ability does not extend to the precise performance of the contract, the whole body of creditors should suffer each in proportion. Whether, therefore, we can provide for the whole or not, is a subject of a separate and independent inquiry. If we undertake to pay them, no doubt we shall make every laudable exertion to comply with our promise; but I can see no use in having the ways and means reported to us, until we have determined the question of assumption, for on that every thing depends; before we have ascertained the amount of our debts, we cannot proceed to the investigation of the other subject. I shall, therefore, be against the motion, until the Committee of the Whole have decided the question before them.

Mr. FITZSIMONS.—I am in favor of the assumption of the State debts, but I do not subscribe to the doctrine held by the gentleman last up. I do not think the United States are under an equal obligation to pay the private debts of each separate State, as they are to pay those which they, in their collective capacity, incurred. I think it a matter of good policy, and that alone will lead me, if we have it in our power to provide as effectually for the State debts as for any other debt due from the Union; but still I must insist upon it, that they stand on a different footing from the domestic debt of the United States. The State debts were contracted by the States, who being called upon to furnish supplies, each according to its supposed ability, but not possessing those supplies themselves, nor having money to buy them of others, they were obliged to use their credit, and run in debt to their own citizens for them. If this had been universally the practice, and no State had really paid for the



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supplies it furnished, there might be an equality and propriety in assuming them; but the case has been otherwise. It makes a wide difference, then, as it respects the duty we are bound to perform of providing for the Continental, and what good policy may urge us to do in regard of the State debts. I own to the gentlemen who are desirous of assuming the State debts, that I am ready to go with them, but it is not upon their principles. I was aware from the outset, that we should have many difficulties to encounter; they have not lessened as we progressed in the business; but, on the contrary, have rather increased. I think, then, it will be wise in the gentlemen who support the measure, not to embarrass us, by taking ground which is not defensible; they will do better in endeavoring to reconcile it to the moderate desires of those who are opposed to it.

The gentlemen from New York, this morning, and many other gentlemen on former occasions, asserted that the ability of the Union to raise revenue exceeded the ability of the Union and the States when they operated on the same articles. I do not altogether subscribe to this doctrine either. By depriving the States of some streams of revenue, we do them an injury, without increasing our own ability in proportion.

Mr. SENEY did not expect there would be any objection to a motion so just in itself, and so proper, if compared with the other circumstances of the Secretary's report. He hoped the gentleman did not wish to proceed in the dark, and assume the payment of debts which they were not bound to pay, before it was ascertained whether they could provide the funds necessary for the purpose. Indeed, on consideration, he could not help expressing some surprise, that the motion had not been made sooner; however, it was not yet too late. He therefore hoped it would be agreed to, and the other question ordered to be postponed until the Secretary had reported fully on the subject of ways and means.

Mr. SMITH, of South Carolina. One reason why the Secretary of the Treasury declined to bring forward the resources which he means to appropriate for the payment of the interest on the State debt, was, probably, that the provision is not to be made for two years to come. He perhaps thought the House would receive little information from a communication made under such circumstances.

Mr. SEDGWICK said, as it was not intended that revenue should be drawn immediately from the resources which were contemplated by the Secretary, there would be an evident impropriety in divulging them. It would give an opportunity to men of property, of monopolizing and speculating in the articles on which it was meant to raise the revenue. Suppose, for example, that it was proposed to lay an additional duty on salt, could not every gentleman see that an early rise in the price of that useful article would be the consequence, by which the speculator would be enriched, and the poor oppress-

ed, without benefiting, in the least degree, the Government or the public creditors.

He would not contend with the honorable gentleman from Pennsylvania about words, but if he thought the assumption of the State debts consistent with good policy; that it would advance the general interest and welfare of the inhabitants of the United States, he might easily admit the justice; for if policy and interest impelled the nation to the measure, it was just in consequence of it.

Mr. AMES contended that a certain description of the State debts was, in justice, due by the United States. The soldiers and officers of the late army were settled with, partly by the State to whose quota they belonged; how could the final settlement be more a demand against the United States than was the depreciation of pay? They were both given to the same person, and for the same kind of service against the common enemy. How can justice require us to pay the first, and acquit us of the rest? In many instances, if a discrimination of this sort is admitted, men who not only fought the same battles, but who fought side by side, and whose blood commixed and dyed in sanguine streams the horrid field of war, will meet a compensation from their country, as different as sixteen is to nothing. One part of the debt of Massachusetts was contracted for the powder and arms which first repelled the enemy; how is it that justice does not require from the whole Union the repayment of such demands?

It is admitted, that the State debts ought to be paid; but the question is by whom? If they are justly the debts of the Union, they ought to be paid by the Union. But, say gentlemen, the United States are perhaps not in condition to provide the necessary revenues. How do they expect, then, that the States which have been so long oppressed, and almost destroyed with them, can bear the grievous burthen any longer? But there is no doubt of the ability of the United States, they have exclusively the command of a very productive revenue; what was laid in impost last year, with an addition on three or four articles of luxury, and a small excise, will be competent to provide for the payment of the interest; and gradual discharge of the principal of the whole foreign and domestic debt. A million and a half may easily be drawn from other sources without having recourse to direct taxation, or subjecting the citizens of the United States to any oppression.

But this motion appears to be unseasonable. Why were we not called upon to go into a consideration of the ways and means, before we assumed the indents and interest on the domestic debt; if it was not necessary on that occasion, it is less so on this; if we are to be drawn aside from the main business by investigations of this kind, I see no end to our discussions. I hope, therefore, the House will reject the motion, and proceed to resolve themselves into a Committee of the Whole on the Secretary's report.

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Mr. BOUDINOT believed the motion might have been useful if it had been brought forward in time; but he would not now procrastinate the business before the Committee of the whole on any consideration. Gentlemen should remember what they lost last year by the delay, and not suffer another loss during the present. He reminded them of the approach of spring, and how necessary it was to have the new impost laid, to embrace the importations usually made at that season of the year.

Mr. STONE did not wish for delay; but it was surely wrong in gentlemen to reflect on others for retarding business of consequence by unnecessary motions, when they were now urging with might and main a scheme not to take place for two years to come!

Mr. JACKSON denied the justice of the assumption, and was confident that every candid man would relinquish that plea. As to its policy, he had his doubts; he thought it might strengthen the Union at first, yet it would be a canker-worm in the State; it would entail upon posterity an enormous debt, which they must eventually sink under, as other Governments had done.

But he was really surprised to hear the gentleman from Massachusetts now pleading the cause of the soldiers and officers of the late army, when but the other day he had exerted himself so zealously against the only measure which had avowedly been brought forward to do them some small degree of justice; he did not despair but in the end the House might come to some unanimity of sentiment on that subject.

Mr. SENEY.—If I comprehend the objections to the present motion, they are these two: first, that it is too late; and second, if it is adopted, it will furnish some persons with an opportunity of making speculations. As to the first, he had already said he was surprised it was not made earlier; but then, I am not convinced that because it is brought forward at a late hour, we should reject it now, if it appears from other arguments to be a proper and necessary step. If the second objection is of any weight, the Secretary has been wrong in mentioning the other sources of revenue in his report, because it has furnished an opportunity of making speculations in them, and may furnish yet more, to say nothing of the speculation in the State paper. As to the other arguments, they relate to the justice and policy of the assumption; they will be more properly answered when the House goes into a Committee, and that question comes before them.

Mr. LAWRENCE observed, that the Secretary contemplated the payment of four per cent. only, on the domestic debt; but, perhaps, the House might be inclined to allow six per cent. In this case they would require additional resources, and they might take those recommended by the Secretary, as a provision for the State debts; this he considered as a solid objection to the motion.

Gentlemen have said, that we are about to adopt a debt without knowing its extent, or the extent of our resources. Yet, the Secretary, in whose communications we must have confidence, has told us that the debts will not exceed twenty-five millions, and that our resources are equal to the provision; but the latter point can be determined by every gentleman who considers the extent of the powers of Congress, in making provision for the payment of the debts of the United States; from these considerations, I am warranted to say, that we are not so much in the dark as gentlemen suppose.

Mr. WHITE would not have risen again, if it had not been said that the motion was intended to embarrass the business. He thought that an insinuation of this kind required him to be explicit in declaring that he never had any such intention. He wished to expedite the public business on this and every other occasion; but he thought the most likely way was to obtain every information necessary to place the subject in a clear point of light; and this was the object of the present motion.

While he was up, he should take the liberty of letting the gentleman from Massachusetts know, that he differed with him in respect to the principle of the debt. He never yet thought that the United States were under an obligation to assume the State debts. The Government was not bound to do it by any express clause of the Constitution; nor did the people of America look for such an event. When they adopted the Constitution, they expected relief, in respect to their foreign debt, and what was always understood to be the proper debt of the United States; they contemplated, likewise, a support for the Civil Government, and such other expenses as the general welfare required.

He was well assured that the collection of direct taxes, or an excise to any considerable amount, by the General Government, would give great dissatisfaction. Under this impression the gentlemen who agreed with him in opinion would think it necessary to see the ways and means before they agree to assume so large a debt. But if these things were left to be managed by the State Legislatures, who were better acquainted with the local circumstances of their constituents, the measures would be better suited to their capacity, and consequently be more generally acquiesced in, than if it was attempted by Congress. But he would not infer from this, that levying direct taxes or excise by Congress, would be obnoxious under any possible circumstances. He believed the people would cheerfully submit to any reasonable burthen, when there appeared a real and absolute necessity for its being borne.

Some surprise had been expressed that a proposition of this nature was so long delayed; he would exonerate himself, if exoneration was necessary, by saying he had not intended to take an active or leading part in the business; he had not prepared a proper resolution, because he

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expected it would be done by some other member; and he conjectured that many members remained inactive, expecting that others would come forward with resolutions to meet their ideas.

The gentleman from New Jersey says, if we expend much more of our time, we shall miss the tide of the spring importations; if this is a well-founded apprehension, why do we not take up the business of the impost at once, and make the appropriation afterwards?

Mr. GERRY found himself at a loss to ascertain the object of this motion. If it was to give the Secretary a hint that he did not sufficiently comprehend the resolution of the House at the last session, or had not fully complied with it in detailing all the possible modes of revenue, he did not think there was good ground for such a suggestion. The report which was before the House showed that he had fully employed his time, and with some success. Is it possible, he asked, that gentlemen mean, in case the Secretary cannot find sufficient resources, to go on and declare a national bankruptcy? He trusted they would not do this, until they were convinced, by experience, that they could not make a proper provision for the payment of their creditors.

He said, he was surprised to hear the doctrine persisted in that there was a difference between the Federal and State debts. Were they not contracted for the same purpose, to wit, the common defence? And did not the late Confederation stipulate, that all such charges should be paid out of the Common Treasury? Had there never been a Confederation, and a proposition was now made to assume the State debts, a distinction of the nature which the non-assumptionists contend for, might be insisted upon, and some kind of argument drawn from it; but as the case now stood, there was not the least foundation for the distinction. It is true, under the Confederation, the States were to supply the Common Treasury; but that was because they had all the resources in their hands. The case is now reversed; all the resources of revenue are put into the hands of the General Government, and some exclusively. Now, can gentlemen hesitate to do justice to the States which have acquiesced in forming this arrangement for the general welfare? If they decline making such provision, because the resources are inadequate, they declare the nation bankrupt.

With respect to the Secretary of the Treasury, he would add, that it might be remembered he was opposed to the institution of the Treasury Department, in a way that should throw all the business into the hands of an individual; but since it had been the wisdom of Congress to establish it in this way, he was determined to give that officer all his support. It might be, that the Secretary wished to make some further arrangements; but the House ought to consider the delicacy of his situation, and give him time; perhaps he would send in a satisfactory report before Congress commenced making provision

for paying the interest on the State debts; but it was presumable he could not now attend to it, when the House was daily in the habit of referring petitions to him. As he saw no possible good resulting from the adoption of the motion, he would vote against it.

Mr. PAGE said, after having heard the arguments on the present question, he was inclined to believe that it had not the evil tendency which he had apprehended on first hearing it read. However, he was still of opinion that it was unnecessary, because the assumption of the State debts depended on the principle of justice and not on expediency. He supposed the members of the House, by giving their sentiments to each other, could throw as much light on the ability of the United States to pay its debts as the Secretary.

Mr. SHERMAN said, he should be opposed to the motion on the principles mentioned by the gentleman last up.

Mr. MADISON was sorry that the question of delicacy was drawn into the argument, as it was altogether foreign to it. It must be remembered, that the Secretary had included in his former report an estimate of the expenses of the civil list which was different from the amount reported by him to-day; yet there was supposed to be no impropriety in requesting of him this additional report. Indeed, the fact is, that the relation in which he stands to the Government makes it necessary for his opinion to be asked on subjects relative to the administration of the finances. But, sir, if this proposition carried with it any imputation that he was deficient in abilities, or in industry, I should be the last man to support it, because I am well convinced the imputation would be flagrantly unjust. Whatever may be the importance affixed to it in the ideas of gentlemen, the propriety of having such a report cannot be called in question. Whenever a great undertaking is in contemplation, the means of carrying it into execution should be first examined. I venture to say, gentlemen will not find a precedent for a contrary conduct, either in the British House of Commons, or any of the State Legislatures. What, then, would be thought of this House, if we were to undertake a great expense, which we are not bound to undertake, without a previous inquiry into our ability? If, indeed, as is contended by the gentleman from Massachusetts, the State debts are binding on the United States by the same solemn ties as the foreign and domestic debt, perhaps we should not be censurable in declaring they were due by us, and that we should do every thing we could to discharge them, before we proceeded to the consideration of the ways and means; but there is a clear distinction between the two debts; and, indeed, after what was said by those gentlemen on a former occasion, I must own that I was not a little surprised to hear it so positively asserted on this occasion, that there is no distinction whatever between debts acknowledged to be due under the most formal contracts, and

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what are due according to their own most favorable construction in equity only. Is there a public creditor, of either class, that will deny the distinction? I am persuaded there is not one. This distinction being proved, shows that we are to exercise our discretion in determining the question of assumption.

Gentlemen say that we run no risk in the case, because the debts are to be paid, if not by the United States, by particular States; and as the United States have all the resources, they can apply them with equal or superior convenience to the same object. I cannot admit this being a good reason against the present motion, any more than I could subscribe to its being an argument in favor of the assumption. For, besides what I stated before, it is to be observed that there are prejudices to be contended with, which some gentlemen think an argument of considerable weight.

In some parts of America, strong objections would not arise against a direct tax, for the purpose of paying the State debts; in other parts, an excise would be more agreeable than a direct tax; or a direct tax would be more acceptable from the hands of the State Legislature than an excise from the General Government. Now, under these circumstances, if it was left to the State Legislatures to make provision in the way most convenient to their constituents, the prejudices and jealousies which are so often mentioned on this floor would be removed or obviated, and more would be accomplished by the aid of the State Governments than can be without them.

I really think it right and proper that we should be possessed of the ways and means, by which we should be most likely to encounter the debt before we undertake to assume it; nor do I see any inconvenience arising from pursuing this course. If the assumption is not to operate till two years hence, very little inconvenience, if any, can result from a previous investigation of the means.

Mr. GERRY thought the facility with which the Secretary had furnished his supplemental reports, of the sums necessary to defray the expense of the current year, ought not to be adulated as a proof of his capacity to report with equal facility, the ways and means for providing for the payment of twenty-five millions of dollars; the first was a simple operation, depending upon known arrangements; the other a speculative calculation, in which were connected the habits and manners, as well as the welfare and convenience of an extensive nation.

In answer to what the gentleman last up said, of the impolicy of laying direct taxes and excises, he would ask, were not these powers given in the Constitution? And is not every part of the Constitution to be carried into effect, when the general welfare requires it?

Mr. MADISON admitted that it was; but he did not think it advisable in the General Government to exercise all its powers, but as necessity required.

Mr. GERRY supposed it was essentially necessary on principles of justice and policy to assume the State debts; and if, in consequence, it became necessary to lay excise and direct taxes, he would not retreat from carrying the Constitution into effect, merely because it would give disgust to a small part of the Union; he hoped as the Constitution was established, it would be carried into effect.

The question was now taken on Mr. WHITE's motion, and the House divided twenty-five to twenty-five; whereupon, it lay with Mr. SPEAKER to decide, which he did in the affirmative, and so the motion was carried.

On motion of Mr. STONE, the House ordered, that the Secretary of the Treasury be directed to lay before the House the amount of impost and tonnage received in the several States, from the commencement of the collection to the 31st of December last.

The House then again resolved itself into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. BENSON in the chair.

Mr. MADISON's proposition respecting the State debts being under consideration.

Mr. SMITH asked whether it was the intention of the mover to include the interest which the States had paid to their creditors, because the words were rather obscure.

Mr. MADISON did not mean to decide anything on that point at present.

Mr. SMITH thought, as some States had confined themselves to the payment of interest alone, while others had sunk the principal, justice required that they should be equally provided for; he therefore moved to amend the proposition so as to make it read:

*Resolved*, That the amount of the debts, principal or interest, actually paid by any State to its creditor, &c. shall be paid to such State on the same terms as shall be provided in the case of individuals.

Mr. BOUNDNOT seconded this motion—observing, that if the resolution did not extend to interest as well as principal, the State of New Jersey would be a considerable sufferer, for she had paid upwards of three hundred thousand pounds in interest to her creditors since the peace.

Mr. SEDGWICK was indifferent whether the amendment took place or not; because he thought there was very little probability that a majority of the committee would join in a measure that would ultimately defeat the object which ought to be kept in view; namely, the assumption of that part of the State debts in the hands of individuals.

The arguments he had the honor of urging yesterday remained yet unanswered; he would only refer gentlemen to them in order to satisfy their minds that the operation of the present motion would be unequal and unjust.

He said no proposition could induce him to lose sight of the main business, and he would not desist from enforcing it. The facts which justified the assumption, with regard to South

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Carolina, were so notorious that explanation was unnecessary. As it regarded Massachusetts, they were equal. She had, by the most persevering and arduous exertions, done much in carrying on the common cause; the troops she kept in the field generally exceeded the ratio which ought to have been observed among the States, and these she had procured and supported at enormous expense; in 1779, they furnished about six thousand men; these were not for the defence of the territory of Massachusetts—they were for the common defence; they were the productive laborers of that State, applied to other use; besides the loss of labor, the State incurred an actual expense in her military exertions. The amount was one million eight hundred and twenty-eight thousand seven hundred and eighty-one dollars. These were exertions antecedent to 1783, and which, inasmuch as they were paid off before that period, will not be credited or paid under the motion of the gentleman from Virginia. Is this justice? Is it equity? Shall a State be permitted to suffer in this degree for superior exertions? It is invidious to make comparisons, but we must make them—they grow out of the subject. Was a proportionate advance of property or men made by the State of Virginia? I do not undertake to know positively; but I am willing to pay due honor to that State, and presume her exertions were proportioned to what was her real ability; but then I can form no conception of that ability equal to her supposed ratio. I am, however, willing to admit, that a complete equality cannot take place until a final settlement of accounts. But I see no reason for believing that a greater inequality will take place by assuming the State debts due at and after 1779, than there will be at the conclusion of the late war. Massachusetts suffered also a very great loss about that period in the fall of the Continental money, which ought likewise to be considered.

Mr. SHERMAN said, he was opposed to this amendment for the same reason that he was against the original amendment; that is, it would increase the debt enormously, without tending to equalize the burthen.

Mr. BOUDINOT thought the committee ought to make the amendment as equal as possible, lest it should, in the event, be carried; it would be unjust if it did not provide as well for the interest as the principal; he therefore hoped the gentlemen who were opposed to the original amendment would vote with him for this, and then reject the whole.

The question was now put on Mr. SMITH'S amendment, and it passed in the affirmative.

Mr. AMES felt himself well authorized, on this occasion, to depend upon the arguments which had been urged by the gentlemen on the other side of the question. It had been said, as a reason against the assumption, that we ought not to undertake to pay more than we are able, especially if the debt had never been contracted by the United States, and pay them in prejudice of those debts which were absolutely contracted

and really due. Apply these principles to the present motion. Do we know that we do not undertake to pay more than we are able to pay, when we assume to pay the whole of the debtor side of the account, instead of the balance? Gentlemen who contend that we are not able to pay the State debts in the hands of individuals must have their imagination strangely warped when they suppose us capable of paying perhaps double the sum.

Is the Government under a contract to pay the State debts? Gentlemen say there is no obligation. Apply their argument to the case in question, and you will be urged by them to vote against the motion.

But why shall we increase our load unnecessarily? If we leave the exertions of the States to be liquidated, and assume the balances, we may not have the one-third of this amount to pay. Interest paid by the several States since the peace may be calculated at twelve millions, and the principal sunk in the same period at fifteen millions; this will double the amount of the State debts. Now, if we respect their arguments, or our own principles, we must vote against the measure.

Mr. MADISON said, he believed the Government might, by increasing the amount of the debt, increase the ability of providing for it; for, in proportion as you make the debt equitable and satisfactory, you increase the willingness of the people to bear the burthen, of consequence the Government is better able to extend its provision for the payment. But how will the gentleman explain his own inconsistency, in having voted to amend the amendment by the addition of the words principal or interest; he tells you that the insertion of the interest increases the debt twelve millions, and yet he will agree to it; on what principle does he act?

Gentlemen have asked, is there any contract obliging us to provide for the debts redeemed by the States? I answer no: but I say justice demands that if you assume the debts yet due by particular States, you repay other States for the exertions they made to extinguish their debt.

Mr. AMES denied being taxable with inconsistency. He said it must be apparent to every gentleman, that if States were to be recompensed for the exertions they had made since the peace, they ought to be recompensed for them in whatever form they were to be found; it was as great an exertion to pay the interest as it was to pay the principal; but there was another reason for his voting for the amendment—the proposition, as it was moved by the gentleman, was indefinite, by adding these words it became limited.

Mr. GERRY said, the adoption of the motion would not lessen the inequality, unless it was the case that one or two States had paid all their debts, and the others none; but as every State had paid part of its debts, it was fair to presume that they had done so in proportion to their abilities, and that which was left undone was an unequal burthen, which now ought to be taken up by the Union.

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But a strong and irresistible argument was drawn from its leading to the assumption of the whole debit side of the account, when the balance only ought to be provided for.

The question was now taken on the amendment as amended, and it was decided in the negative, 22 for and 28 against it.

The committee then rose, and reported progress, and the House adjourned.

### WEDNESDAY, March 3.

Mr. AMES, from the committee to whom was recommended the bill to provide for the remission or mitigation of fines, forfeitures, and penalties, in certain cases, presented an amendatory bill, which was read the first time.

### RULE OF NATURALIZATION.

The House then went into a Committee of the whole on the bill to establish an uniform rule of naturalization, Mr. BENSON in the chair; and having made several amendments thereto, the committee rose and reported them to the House; which being agreed to, the bill, as amended, was ordered to be engrossed for a third reading.

### PUBLIC CREDIT.

Mr. CARROLL moved to discharge the Committee of the whole on the Report of the Secretary of the Treasury, from the consideration of that part which related to the assumption of the State debts.

Mr. SMITH (of S. C.) hoped the committee would not be discharged from the further consideration of that important subject; but rather wished the House would resolve itself into a committee, according to the order of the day, and proceed in the discussion of the report.

Mr. SENEY thought it was to be understood in consequence of the resolution passed yesterday, requiring the Secretary to report the ways and means of providing for the State debts in case of an assumption, that nothing further was to be done in the business until the House received that report; if this was not the consequence, the requisition was totally useless. He therefore hoped the motion of his colleague would obtain.

Mr. LAWRENCE expected that gentlemen would have been contented to have waited for the information the House had ordered to be laid before them, and therefore could not help feeling some degree of surprise at the present motion, which went to discharge the committee from ever considering the subject again. He believed it proper to give the Secretary's propositions a fair and candid discussion, that so they might come to a just decision. If any of them should turn out to be improper, it was the duty of the House to say so in an open and undisguised manner, and not to evade it by an indirect method. The question of assumption was of considerable importance, and merited the most candid treatment. If the gentleman says, that it is only to discharge the committee for the present, what occasion is there for the

motion, when the object can be effected by letting the business before the committee remain in its present state for two or three days till the report is brought forward. From this view, he was led to believe that the motion would only tend to give the go-by to a great national question, which the public interest required to be thoroughly discussed.

Mr. CARROLL.—I am obliged to the gentleman last up for the candid manner in which he has delivered his sentiments; though, at the same time, I cannot say that I feel myself under any obligation to him for his opinion of my candor, or rather want of it. When I introduced the subject, I mentioned it to several gentlemen, who agreed with me that there would be an impropriety in determining the question of assumption, until the information which they yesterday required of the Secretary was laid before the House; and it seemed to be a necessary consequence that the further proceedings of the committee should be stopped on that head. When I made the motion, I said that the probability of carrying the measure through was increased in proportion as the House obtained information, which plainly evinced my desire that it should be discussed under the most advantageous circumstances, yet the gentleman has undertaken to doubt my sincerity in what I said. If he judges of me from the sincerity of his own breast, I leave it with him to make the application; but, sir, I do not know that any man can, or dare arraign my want of candor on any occasion, in either my public or private conduct.

Mr. LAWRENCE did not mean to arraign the gentleman's candor; he was very well satisfied that his public conduct had ever been such as to place him beyond the reach of censure; and if the gentleman had suspected him of such design, he now made the most open disavowal of it. But he thought the motion unnecessary, as it had not been proposed to proceed in the investigation of the Secretary's Report to-day.

Mr. MADISON was very well assured that the intention of his worthy friend from Maryland was perfectly just and upright, and furnished no ground for an apprehension that the motion was intended to throw that part of the Secretary's Report out of view, or indirectly or uncandidly to wave the decision. But, perhaps, if the motion was altered to accommodate precisely with this honorable intention, it should be to discharge the Committee of the whole until the Report shall be made by the Secretary of the Treasury; so that when the information came forward, they could go on and treat this proposition like all the others, with the respect due to it, and eventually decide it fairly and candidly.

Mr. CARROLL.—I perfectly agree to the amendment proposed by the gentleman from Virginia; it was my intention, from the first, that the committee should be discharged for the present from that part of the Report, and proceed with the other, which I consider in its nature totally distinct. I would not delay making



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provision for the proper debt of the United States, because the question of assumption is suspended.

Mr. SEDGWICK understood the motion as explained; but he could not think it proper, in the House, to divide the business. He believed, whatever might be gentlemen's ideas on the subject, that much depended on the determination of the question of assumption; according as that was decided, the other business would be affected. He believed the Representatives of some States would find themselves inexcusable if they agreed to some of the propositions, without a certainty being given that the State debts should be assumed.

Although the members on this floor thought with magnanimity, when they considered themselves the Representatives of the United States, yet they were under an obligation to attend particularly to the circumstances of those who were the immediate instruments of sending them here; to apply this general observation, he would add, that it was his real belief, that it will be found impracticable to provide for the support of public credit, independent of the assumption, without sacrificing the creditors of particular States in the Union, whose claims were equally founded in honesty, humanity, and justice. Are we, said he, at liberty to make this sacrifice? I protest, for my own part, that I shall be totally at a loss how to vote, if we are to proceed to contemplate the other parts of the Report, unconnected with the assumption.

Mr. GERRY was opposed to the motion, for the reasons urged by the gentleman from New York, and because it was intended to make a distinction between the domestic debt and the State debts, which he contended did not exist. If it did exist, it was no more than the distinction between the two parts of the same debt, the liquidated and unliquidated; and he never could consent to do justice to one class of the public creditors and not to another.

Mr. HEISTER wished the question of assumption to be postponed, because some States, which were to be materially affected by the decision, were not represented at present on the floor. He had learnt, that the Legislature of the State of Delaware, at its last session, had funded its debt in a manner so satisfactory to her creditors, that the certificates of that State had recently risen to thirteen shillings and four-pence in the pound. Though the assumption might, or might not do them an injury, he thought its decision should, at least, be delayed until that State was represented.

Mr. MADISON found that the gentlemen from Massachusetts, who were yesterday against the motion, for requiring the Secretary of the Treasury to report the ways and means, on account of the delay it might occasion, had changed their opinion on that point, and that they are now inclined to suspend the whole subject, until a report is made, which they suppose will require a considerable length of time.

He was sorry to hear gentlemen declare, that

an affirmative decision on the question of assumption was an essential preliminary to the success of the great business of providing for the support of public credit; to him, this declaration did not appear warrantable, either by the practice of members on other occasions, or on principles of justice or policy. There is a real distinction, as he had said before, between the debts; however important the assumption might be, there being that distinction, he apprehended they ought to be decided upon their respective merits; it would be no reason that they should reject what good was in their power, because they were not able to attain all they grasped at.

He said he had never, till lately, heard that there was no distinction between the debts. When a system was proposed by Congress, for the support of public credit, in the year 1783, were the State debts incorporated with the debts of the United States? And were the funds then solicited to be appropriated to the discharge of both? No, they were expressly confined to the discharge of the interest and principal of the debts contracted on the faith of the United States, for supporting the war. There was nothing like a provision for the extinguishment of the debts contracted on the faith of particular States for supporting the war. It is true, that the objects of taxation were then exclusively in the hands of particular States; but it is equally true, that they have still a power over every source of revenue, but the one which it was then proposed should be given up to Congress; they contemplated, at that time, the surrender of the most productive branch of revenue, without offering to assume the State debts. How is it then that gentlemen so strenuously insist, that there is no distinction between debts hitherto invariably distinguished and separated.

Gentlemen tell us that the faith of the United States is pledged for the discharge of the State debts due to individuals; but is not the faith of the United States equally pledged for the discharge of the debts redeemed by the States? Certainly it is. But gentlemen say we do not know that any thing is due to the States until a final settlement takes place. I say, it is as little known whether any thing is due to the particular States, for the certificates in the hands of individuals, until the same final settlement is brought about. But I will not go into an argument foreign to the question, when I only rose to observe, that if the motion is agreed to, we can proceed with the other part of the business, which is not only distinct in its nature from the assumption, but separated likewise from it, by the manner in which it is presented in the Report of the Secretary.

Mr. HARTLEY wished the gentleman would withdraw his motion, as it seemed to be agreed on all sides that the committee should not proceed in the business until the Report was brought in, and he was fearful that some inconvenience would result from an attempt to separate objects which had been all along connected.

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Mr. GERRY had not changed his opinion, though he wished for a delay of the whole business, until it could be regularly proceeded on. When he opposed the calling for ways and means, he did it because he thought it unnecessary, and from an apprehension that the Secretary might not be prepared to make it; for he was satisfied the Secretary would not pledge himself for a system of revenue that he had not time thoroughly to consider, as to its effects and avails; however, if he was unfounded in his apprehensions, and the Secretary was able to make his Report, in the short time mentioned by the gentleman from New York, (Mr. LAWRENCE,) he was glad to find his mistake; and joined with gentlemen in the agreement to suspend the question of assumption for the present.

Mr. FRIZZIMONS expected the Secretary's Report would be in to-day, or to-morrow at furthest; he was sorry for the disagreement which seemed to take place on this question, and recommended an accommodation as the most likely way to bring the business to a satisfactory termination. He thought the motion could only be of use, in case the order of the day was called for; but if no gentleman was desirous of going into a committee, the motion was unnecessary. He hoped, therefore, the worthy gentleman who moved it, would now withdraw it.

Mr. CARROLL said, he would not have persisted in his motion, if it had been treated as he expected it deserved; but after seeing the manner in which it was opposed, he should adhere, and have the question put.

Hereupon the question was taken, and it passed in the negative, twenty for and twenty-eight against it.

#### NATURALIZATION.

The House then went into a Committee of the whole on the naturalization bill, and having agreed to some amendments, rose, and reported the bill as amended: whereupon, it was ordered to be engrossed, and read a third time to-morrow.

#### THURSDAY, March 4.

BENJAMIN CONTEE, from Maryland, appeared and took his seat.

The engrossed bill to establish a uniform rule of naturalization, and to enable aliens to hold lands under certain restrictions, was read the third time, and passed.

#### USEFUL ARTS.

The House resolved itself into a committee of the whole on the bill to promote the progress of useful arts, Mr. BENSON in the chair.

The bill was read, and discussed by paragraphs.

The clause which gives a party a right to appeal to a jury from the decision of referees, it was moved should be struck out. This motion was opposed, on the ground of depriving the citizen of a right to which he is entitled, as improper in itself, as causes of very great magnitude may be depending, which it may be highly improper to submit to the decision of three men only, two of which may be so differently interested, as never

to agree—so that the decision may finally result from the influence of the person nominated by the Secretary of State. On the other hand it was said, that it appears highly improper that juries should be called to judge upon matters that they may not be supposed competent to form a judgment of—these trials will always relate to matters of invention, &c. of which three persons may be found with much greater ease who are competent to judge, than twelve; that the right of trial by juries is not universal; and in the present case, there will be a much greater probability of having justice done by arbitrators, who are men of science, &c. The motion for striking out was carried in the affirmative.

The committee proceeded further in the discussion of the bill, but rose without completing it, and the CHAIRMAN reported progress.

#### SECRETARY'S REPORT.

THE SPEAKER laid before the House a Report from the Secretary of the Treasury, proposing additional duties to meet the payment of the interest on the debts of the individual States, which was read and referred. [For which see Appendix.]

#### FRIDAY, March 5.

A memorial of the late officers of the South Carolina line on Continental establishment was presented to the House and read, praying that provision may be made for securing to them payment on the six months' pay granted them by certain resolutions of the late Congress, and which they have never yet received. Referred to the Secretary of the Treasury.

Mr. FOSTER, from the committee appointed for the purpose, made a report on the petitions of the people called Quakers, and also of the Pennsylvania Society for promoting the abolition of Slavery.

A petition from Catharine Greene, relict of the late General Nathaniel Greene, was read, praying that an inquiry may be had on the claims and petition of her late husband, as exhibited to the late Congress, 22d August, 1785. Referred to a committee.

The House then went into a Committee on the bill for remitting fines, &c. and having gone through and reported the same, with amendments, it was ordered to be engrossed.

Then the House went into a Committee on the bill to promote the progress of the useful arts, having amended and reported the same, it was likewise ordered to be engrossed.

A message was received from the Senate, informed the House that they have passed a bill to accept the cession of a certain district of Western Country, to which the concurrence of the House is requested. Also, a resolution for obliging vessels to comply with State inspection laws.

#### MONDAY, March 8.

JOHN VINING, from Delaware, appeared and took his seat.

The bill for the remission of fines was read the third time, and passed.

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Slave Trade.

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Mr. GERRY presented a bill to increase the salaries of the Clerks in the office of the Commissioners for settling the accounts between the United States and individual States.

Mr. LIVERMORE presented the appropriation bill.

A message was received from the President of the United States, informing the House that the State of Delaware had ratified all the amendments proposed to the Constitution, except the first.

The bill to accept of the cession of lands in the Western Territory, by the State of North Carolina, was read the second time; and referred to a Committee of the whole.

The resolve of the Senate for giving further instructions to the Collectors of the Revenue, was read the second time.

This resolution enjoins a compliance with the State inspection laws previous to clearing out vessels, and was referred to a committee consisting of Messrs. WHITE, TUCKER, and CONTEE, who were instructed to bring in a bill pursuant thereto.

Mr. WHITE presented a bill to regulate the exportation of certain articles, subject to inspection, by the laws of the several States.

Mr. HARTLEY moved that the report of the committee on the memorials of the people called Quakers, should be taken up for a second reading, which motion being adopted, it was read as follows, viz:

#### REPORT.

That, from the nature of the matters contained in those memorials, they were induced to examine the powers vested in Congress, under the present Constitution, relating to the abolition of slavery, and are clearly of opinion:

First. That the General Government is expressly restrained from prohibiting the importation of such persons as any of the States now existing shall think proper to admit until the year 1808.

Secondly. That Congress, by a fair construction of the Constitution, are equally restrained from interfering in the emancipation of slaves, who already are, or who may, within the period mentioned, be imported into, or born within any of the said States.

Thirdly. That Congress have no authority to interfere in the internal regulations of particular States, relative to the instruction of slaves in the principles of morality and religion, to their comfortable clothing; accommodation and subsistence; to the regulation of their marriages, and the prevention of the violation of the rights thereof, or to the separation of children from their parents; to a comfortable provision in cases of sickness, age, or infirmity, or to the seizure, transportation, or sale of free negroes, but have the fullest confidence in the wisdom and humanity of the Legislatures of the several States, that they revise their laws, from time to time, when necessary, and promote the objects mentioned in the memorials, and every other measure that may tend to the happiness of slaves.

Fourthly. That, nevertheless, Congress have authority, if they shall think it necessary to lay, at any time, a tax or duty, not exceeding ten dollars for each person, or any description, the importation of whom shall be by any of the States admitted as aforesaid.

Fifthly. That Congress have authority to interdict, or (so far as it is, or may be carried on by citizens of the United States, for supplying foreigners) to regulate the African trade, and to make provision for the humane treatment of slaves, in all cases while on their passages to the United States, or to foreign ports, as far as it respects the citizens of the United States.

Sixthly. That Congress have also authority to prohibit foreigners from fitting out vessels in any port of the United States for transporting persons from Africa to any foreign port.

Seventhly. That the memorialists be informed, that in all cases, to which the authority of Congress extends, they will exercise it for the humane objects of the memorialists, so far as they can be promoted on the principles of justice, humanity, and good policy.

Mr. SMITH (of S. C.) moved that the above be referred to a Committee of the whole, to be taken up the first Monday in May next.

Mr. BOUDINOT proposed the first Monday in April.

Mr. JACKSON opposed the latter period. He urged several reasons which rendered it extremely inconvenient to assign so early a day. A proper knowledge of the present state of the importations, and other particulars respecting the slave trade, which cannot be known so early, call for a longer time. He adverted to the peculiar circumstances of the Southern States, and urged the necessity and justice of requiring a more perfect knowledge of the sentiments of their constituents: to adopt it in its present form, would produce infinite mischiefs in the Southern States; it would excite tumults, seditions, and insurrections.

Mr. VINING opposed a postponement. He considered the report, if adopted, as an honorable declaration of the sentiments of the Legislature, on this important business; he could not conceive that there was any grounds for the alarming apprehensions entertained by some gentlemen.

Mr. BOUDINOT observed, that if the report was calculated to produce such effects, the argument is in favor of the shortest period; that the report may be so amended, as to prevent those effects. He moved the first Monday in April, because he expected that Congress would rise in May, and he thought it would not be giving the business that attention which it deserved to postpone it to a period which may preclude all discussion of the subject whatever.

Mr. SMITH (of S. C.) and Mr. STONE urged the postponement; the latter gentleman observed, that he had not approved of the interference of Congress in the business. He thought that persons who were not interested ought not to interfere; such interferences savored very strongly of an intolerant spirit, and he could not suppose that any one of the States had a right to interfere in the internal regulations of another. States were not accountable to each other for their moral conduct. He wished that the interesting circumstances of the States, which would be so materially affected, might be taken

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as it involved the necessity of direct taxes and excises—these he was afraid would serve to revive the ancient jealousies of the States; those jealousies appeared to be subsiding and dying away; but this measure will have a direct tendency to revive them; besides, it will confirm the predictions of the enemies of the Constitution, when they asserted that the General Government tended to a consolidation, and would eventually swallow up the State Governments; he added many other remarks, and wished that the proposition might be passed over.

Mr. BLAND rose to reply to some observations which had fallen from his colleague. He was surprised to find any gentleman so squeamish at this time of day on the subject of direct taxes; before the adoption of the Constitution this squeamishness might have been proper, but since the ratification, all observations of that kind appeared to be entirely out of season. It appeared to him from the first, that the adoption of the Constitution would necessarily absorb all the efficient revenue of the United States.

This being the case, in what situation will you leave the creditors of the State Governments? He then adverted to the particular merits of the State creditors, and said that the State debts were in fact the debts of the United States. He replied to sundry observations of Mr. JACKSON, who had informed the House that Georgia had called in its securities and sunk them, and said that the gentleman's account of the fate which attended the securities of the State of Georgia, was directly in favor of the assumption, for it evidently showed that the creditors of the States could not depend on receiving justice at the hands of the State Legislatures. On the whole, he observed that he had waited to hear arguments in opposition to the measure which should carry conviction to his own mind; hitherto he had not heard any such arguments, and therefore he should consider himself fully justified, on the principles he before advanced, in voting for the assumption.

Mr. PAGE made some observations in reply to Mr. BLAND, and observed that the observations he had offered were not the result of squeamishness, they were founded on facts and experience, which he thought fully justified the apprehensions he had expressed.

Mr. SCOTT rose and said, that he was well aware that adopting the proposition would operate in favor of some States, to the certain prejudice of others, and it would be well if a day of retribution could be fixed, that might equalize the business; but he could not look forward to that day; he feared it would never arrive; yet, under the impression that it was a great national effort, and that the State debts were incurred in the common cause of the Union, he would vote for the proposition.

Mr. LEE was opposed to the proposition, and for the following reasons. He said he did not see the necessity of insisting upon the assumption of these debts at the present moment. He

had no doubt of the justice and policy of the measure, if it could be effected on equal and just principles; but if the assumption was not made on such principles, it would operate in such a manner as to countenance oppression, and disturb the public harmony. It is well known, that the exertions of the several States have been very unequal, and it is as well known that our present resources are also unequal to the public demand. Sir, we must extend our resources to make provision for the present debt of the Union. We must extend them still further if we assume the State debts; and whatever system of taxation may be proposed, it will require two or three years to bring into any thing like an effectual operation. He thought the most eligible mode of proceeding would be to adjust the accounts first, and after such adjustment to pledge the faith of the Union that they would assume the State debts after the general account was liquidated and settled. He wished to know, whether any inconvenience could arise from pursuing a line of conduct so rational in itself? Gentlemen had asserted, and he saw no reason to doubt their assertion, that these accounts might be settled in the course of two years, in which opinion the respectable officer coincided who was the author of the proposition. No gentleman expects that the necessary resources can be provided in a less time, than two years. There could be no one of information that could entertain the idea. If, then, the accounts could be settled within the time that should be allowed for the provision of the resources upon which these debts were to be funded, he asked, whether it would not be more prudent, as well as more likely to give general satisfaction, to make a provisional adoption, or pledging the faith of the Government to assume the debts at the expiration of two years? He should therefore vote against the original proposition, which, if negative, he would then move a resolution in substance to what he had expressed.

Mr. VINING.—After the very full and able discussion which this important question has received, it is with diffidence and reluctance that I venture, especially after my long but unavoidable absence from the House, to obtrude myself at this time on the Committee. When I reflect, however, that this absence has been employed in pursuit of the best information which could tend to guide and assist my judgment, I feel some relief from my embarrassment. In viewing this subject as an abstract question of finance, and merely relative to the individual States, I confess I behold it as in some degree operating injustice, and in its effects, unequal; but when I consider it in a more national point of view, as diffusive of general advantages, and favorable to, perhaps, the permanency as well as the interest of the Union, I am compelled to yield small local regards to a more enlarged and extensive policy. But in estimating those local sacrifices, I would endeavor to compare the value of the object, to

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gether with the certainty of attaining it, with the consideration which is as an equivalent offered. In the present case some sacrifices are to be made at the altar of accommodation and general convenience. By the State which I have the honor to represent, those sacrifices will, in proportion, be very great. She has not only provided for the interest of her particular debt, but has made considerable progress towards the payment of its principal. This places her in a peculiar situation; and unless some modification should be ultimately made, it might be considered as somewhat oppressive and unjust. But as for this modification, as far as it regards this peculiar case, I shall wait with a firm reliance on the justice and accommodating spirit of the House, until the bill shall be introduced, when, I trust, such provision will be made as will comport with the true interest of the United States. I confess, sir, in the contemplation of this subject, so many difficulties appear on every hand, that I yet feel myself at a loss how to determine, or to what sources to apply for safe information. I find the public mind influenced by so many causes and in such opposite directions, that it is difficult, if not impracticable to come to a satisfactory conclusion. The opinions of intelligent individuals are equally various and fluctuating: thus situated, I feel as if I were on a precipice surrounded with imminent dangers, and where a single false step might prove fatal.

In this dilemma, continued Mr. V., all that is left me is fairly to balance, as far as my mind is able to do so, the inconveniences with the advantages on both sides, and from the result to form the best determination in my power. I believe, that on principles of strict and rigid justice, the assumption of the State debts would be inadmissible; but there are cases in politics, as well as in jurisprudence, where the *summum jus* would be *summa injuria*; and there are instances also in politics where partial evil may be considered as universal good, and if there ever was a case of this kind; perhaps it is exhibited in the one now before the committee. I am also convinced, that a very considerable part of the debt which we are about to assume has been in many instances improvidently, in some unjustly, incurred. The Union has been charged with expenses, the benefit of which has been solely appropriated to individual States; and I sensibly feel, sir, that considerable disadvantages must necessarily arise to the meritorious and complying parts of the Union, to the benefit of those which have not been so forward. It is also a painful anticipation to me, that, by this measure, direct taxation may be ultimately superinduced, in order to enable us to fulfil the engagement we now undertake; but I look upon this as a speculative point, and place it, at all events, at a very distant period, and even should our apprehensions upon this subject be realized, I find great consolation from the facility of payment which such an increased circulation will immediately

produce, and from a policy which I sincerely believe will contribute to the harmony of the Union.

Upon the whole, sir, as far as an imperfect consideration of this important subject will allow me to go, from the general and extensive influence which will immediately arise from the great augmentation of friends to the Government; cemented by the tie of interest; from the uniformity of regulation which will pervade your revenue system; from a contemplation also of the State debts, and the fair claim arising from thence to a general funding principle, I shall give to the resolution my concurrence.

Thus have I disclosed to the committee some of the leading ideas which have influenced my determination. The nature, the novelty, and the importance of the object, led me to consider it upon a large and national scale. My sentiments were in this view submitted to the committee. I have launched my bark on the Federal ocean, and will endeavor to steer her appointed course; and should she arrive at her destined port with her invaluable cargo safe and unhurt, I shall not regret that, in her voyage through these unexplored depths, she may have lost some small share of her rigging, which may be considered as a cheap purchase for the safety of the whole.

The Committee then rose and reported progress.

WEDNESDAY, March 10.

The engrossed bill to increase the salaries of the Clerks in the office of the Commissioners, for settling accounts between the United States and individual States, was read the third time and passed.

Also, the engrossed bill to promote the progress of the useful arts.

PUBLIC CREDIT.

The House again went into a Committee on the report of the Secretary of the Treasury, Mr. BENSON in the Chair.

The first alternative in the 5th proposition was read, with the amendment proposed by Mr. BOUNDNOT, viz:

To receive a certificate drawing an interest of six per cent. per annum, payable in ten years for the other one-third of the debt, which certificate shall be received as specie, in payment for the lands of the Western Territory.

Mr. SHERMAN observed, that if the alternative proposed by the Secretary is adopted, one third part of the debt, principal and interest, will be extinguished; but the amendment contemplates an increase of the debt, for one-third at an interest which will in the course of ten years amount to an enormous sum. He adverted to the several alternatives, and supposed that, among the number, every description of creditors will be satisfied. If the alternative should be adopted, he should move to strike out the twenty cents per acre; to leave the price a blank in order to wait for the report of

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the Secretary on the subject of the Western Territory.

Mr. BOUDINOT repeated his objection to the proposal of bringing such a quantity of lands to market.

Mr. FITZSIMONS said, he had wished the gentleman would have withdrawn his motion for striking out the Western Territory. He observed, that the alternative proposed by the gentleman would place the creditors in a much worse situation than they would stand upon the plan of the report; the proposition of the Secretary does not involve any compulsion; if the creditors choose to take the land, they can do it; if not, they may receive their four per cent. and wait for the residue till the resources of the country are adequate to paying them. He said that the one-third of the debt, placed in the situation the gentleman proposes, will amount to upwards of forty millions in ten years; certificates issued on this plan will induce a system of speculation beyond all idea that any person can form.

Mr. BOUDINOT still supported his motion, and expatiated on the consequence which would result from the adoption of the alternative.

Mr. HARTLEY.—I wish not to throw unnecessary embarrassments in the way of the original motion to which the amendment under consideration is offered. But some difficulties have suggested themselves to my mind. I could wish they were obviated. If the truth is, as some gentlemen say, who advocate the resolution without the amendment, that the Western Lands are sufficient to redeem one-third of the debt, why not pledge them for the redemption, and place them under the direction of officers appointed by Government to sell or dispose of them; and administer the property instead of individuals, and let the money arising therefrom be applied to discharge the public debt? I fear that the creditor who subscribes to the redeemable fund agreeably to the resolution, immediately puts one-third of his debt in jeopardy; or at least he can consider it but of small value. Few men would act for themselves and take up land, and very few cases would bear the expense of an agency. From the complexion of the report, it appears that a reduction of interest is intended; for as the redeemable alternative or proposition is rather exceptionable, for the reasons which have been given, the creditors will be obliged to subscribe to the irredeemable funds, and they will experience a loss of near five per cent for the supposed compensation will go but a little way. Possibly Government may be charged with duplicity. The original holder, the *bona fide* purchaser, may perhaps have some reason to complain; six per cent. was promised, but one-third is reduced. I am also apprehensive that other bad consequences may follow the reduction of the interest. Interest here is at six per cent. and not a sufficient quantity of money to be loaned at that to supply the demand; the people will not wish to hold securities which produce so

small an interest as four per cent. In Europe money can be borrowed at three per cent. Europeans will examine our funds and purchase our securities at low rates. The revenues of America will be carried to foreign countries. We may, in truth, become the tributaries of foreign citizens to a great extent; to the great injury of the agriculture, manufactures, and commerce of the United States.

These difficulties have struck me. I think, with the gentleman from Jersey, that the western lands should be pledged for the redemption of one-third of the debt, and officers should be appointed to dispose of them; and that certificates, such as are mentioned in the amendment, or somewhat similar, should be received in payment. This might perhaps be offered as a separate alternative; I am for the principle, and as the idea for the separate alternative is not fully seconded, I shall, as at present informed, vote for the amendment, though I shall always hold myself open to conviction.

The Committee then rose and reported progress.

THURSDAY, March 11.

PUBLIC CREDIT.

The House again went into a Committee on the report of the Secretary of the Treasury, Mr. BENSON in the Chair.

The following proposition was read:

To have the whole sum funded at an annuity, or yearly interest of four per cent. irredeemable by any payment exceeding five dollars per annum on account both of principal and interest; and to receive, as a compensation for the reduction of interest, fifteen dollars and eighty cents payable in lands, as in the preceding case.

Mr. SHERMAN.—This proposition is to fund the debt at four per cent.; and if the evidences of the debt are to go out of the country, I should be in favor of having as much of it funded at that rate as possible. He thought the proposition a favorable one in this view, and he was against striking it out.

Mr. SEDGWICK.—The irredeemable quality of this proposition appears to be the chief objection in the minds of gentlemen; since it appears conceded on all hands that a strict literal compliance with the precise terms of the original contract at the present moment cannot be made, and a modification of it is the necessary result. It becomes a subject of inquiry how we shall best meet the ideas and acquiescence of the creditors, and conciliate the approbation of our constituents. In this view, holding out different alternatives appears to be a proper measure, and among those alternatives, the principle of irredeemability seems to offer itself as a mean of acquiring the concurrence of a particular class of creditors; others will prefer other modes of funding their demands. Hence the advantage, propriety, and justice of holding out various propositions; and as he was fully persuaded that the public opinion would concur in



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every decision which appears to be the result of calm deliberation and a thorough investigation of the state of our country and the circumstances of our constituents, he doubted not that ninety-nine out of one hundred of the public creditors would subscribe to the loan; the principle is not strictly irredeemable; it provides for the gradual extinction of the debt, and within a period which will be as short as any person can contemplate, as within the probable capacity of the country to do it.

Mr. FITZSIMONS, after premising that the several propositions appeared to depend on each other, said, with respect to the irredeemability he had his doubts. He did not think that this idea would meet the approbation of the people; on the other hand, they generally conceived that a public debt was a great public disadvantage, and would be for getting rid of the burthen as soon as possible. The habitual mode of reflecting on this subject is opposed to a perpetual debt; I confess I have my difficulties respecting this principle; I could wish that the period could be shortened, so that the eventual extinction should take place as soon as the abilities of the people would admit of it.

Mr. MADISON was in favor of reducing the number of the alternatives; a simple, unembarrassed system is to be preferred.

Mr. SENEY also objected to the adoption of the several propositions as in the report; it would render the funding system complex, and introduce such a series of calculations, as to convert the whole into an intricate science, which would be above the comprehension of persons in general; and being made an object by particular persons, would give them great advantages in speculating in the funds; for these reasons he hoped the proposition would be struck out.

Mr. SHERMAN observed, that if the whole debt was in the hands of the citizens of the United States, he should think it unnecessary to introduce the irredeemable principle into the system; but as between four and five millions are in the hands of foreigners, and it is as necessary that that part should be funded as well as the rest, to induce them to reloan at four per cent. and to accommodate some part of the plan to their ideas, he thought as this part of the system would not operate to the injury of the United States, he was in favor of its adoption. He thought it best that the debt should be kept in the United States as much as possible; he considered it an unfavorable circumstance to have it in the hands of foreigners; but as they were in possession of such a proportion, he was for making the best terms that we could.

Mr. PAGE reprobated different propositions; he was in favor of a plain system, commensurate to the apprehension of men of plain common understandings. He contrasted the different species of paper with different sorts of coin, and showed there was no similarity.

Mr. WHITE.—If the irredeemable quality would be any inducement to our domestic cre-

ditors, it ought to have weight. I do not think it will; but it is said, that it will be agreeable to foreigners; it may, but in proportion as they become interested in our funds, this principle will make us tributary to them forever; with respect to our constituents, it must be acknowledged that taxes paid to extinguish a debt are always paid with most cheerfulness; so far as my experience goes, it confirms this observation. There are four millions of our debt due to one foreign nation only; the interest on which is two hundred thousand dollars annually. This irredeemable quality led me to vote against the second proposition. I have the same objection to this. The first proposition I consider a just and fair offer.

The equivalent in land is as favorable to the creditor as the circumstances of the country will admit. Twenty cents an acre for Western Territory is not too high; it is a very moderate valuation. Kentucky would sell for more than that, and ten years since the prospect there was not so favorable as that of the Western Territory.

Mr. PAGE said, that if he was a member of the British Parliament, he should rely on the calculations offered in the report, without giving them an examination; he did not doubt that they were just. The report is an ingenious performance, and does the gentleman honor who framed it. But as a member of the Legislature of the United States, he had a right to investigate critically every proposition submitted to him, and to canvass every subject with rigor. He observed that the gentleman from Massachusetts had not informed him upon the subjects of his inquiry; he had told him that the Secretary says so, and that such and such things are so, which he knew perfectly well before. He wanted to know what was the precise sum his constituents would have to pay.

The motion for striking out this proposition passed in the affirmative.

The next proposition was read.

To have sixty-six dollars and two-thirds of a dollar funded immediately, at an annuity or yearly interest of six per cent. per annum, irredeemable by any payment exceeding four dollars and two-thirds of a dollar per annum, on account both of principal and interest, and to have, at the end of ten years, twenty-six dollars and eighty-eight cents funded at the like interest and rate of redemption.

Mr. JACKSON moved to strike out the words "irredeemable by any payment exceeding four dollars and two-thirds."

In support of his motion, he observed, that the irredeemable quality, as allowed by gentlemen in favor of the resolution, was altogether for the benefit of the foreign creditor. On this principle he was opposed to it, as well as to the annuity propositions, which were calculated for the rich brokers of Paris, but by no means for the citizens of America. The former were, in general, very rich, and commonly single; they aspired to alliances with noble families who despised their connexions, and they were

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too proud to marry those who were beneath their fortunes. Annuities, therefore, answered their purpose of providing for themselves—those people, in general, caring nothing for posterity. This was not the case in America, where something more substantial would be sought after by a creditor to leave his children. He said, he was induced to this digression, to show the impolicy of holding out too great a temptation to foreigners. He did not like the idea of putting it out of our power to redeem the debt, whenever the nation might be competent; and it was declared by gentlemen that there were situations in which the debt ought to be irredeemable. A great deal had been said on this head, and modes had been pointed out how the debt could be redeemed, notwithstanding the express terms of the clause. This appeared to him to be a contradiction of terms. But it was said, that the public were to go to market to purchase their own debts. Severe censures had been passed on private speculations deservedly; but here was an avowed one on the part of the public. He hoped that this worst kind of speculation would not be countenanced. For his part, he conceived a proceeding of this nature, however common it might be, a departure from the honor and credit of the nation; and that, if this irredeemable quality was stricken out, he believed that there would be no necessity for this measure. The gentlemen who now appear so warmly to advocate the cause of the foreigners, he observed, were of different opinions on a former day, and insisted there was no difference between a foreign and domestic creditor, and that they ought all to be on an equality.

Gentlemen had given the House flattering accounts of the increase of specie, and the benefits resulting to the Continent from foreigners purchasing in our funds; but it was certain with him that this influx would prove but of momentary advantage, and that the very purchase itself would constitute a continual drain, not only of that specie with which the stock was purchased, but of the actual medium of the country. It therefore becomes our duty to keep as much of the stock as possible in the hands of our own citizens, and not to hold out too great a temptation to foreigners. The first proposition he advanced went far enough, and he was doubtful whether there existed a necessity for any other. Two-thirds of the debt was to be funded at six per cent. and the lands were to be received for the other third: these lands were the proper funds of the country, and were to be taken, as the Secretary himself advanced in his report, at a fair valuation: a dollar had been given for an acre heretofore, the price now was only twenty cents. It might be advanced, that the creditors would not receive them; but this, he said, could not be done with justice, nor did he believe it would be the case. Numbers had applied, petitions were now on the table, offering to pay for those lands, in the principal of the debt: no attention had been

paid to them, nor was it known what amount of our debt we might sink in this way.

He had, however, no objection to the resolution before the House, to give the creditor an option, provided the obnoxious words were stricken out; he was certain they would be disagreeable; and if, as some gentlemen had represented them, they were of no consequence, he hoped they would not be contended for.

Mr. BOUDINOT was opposed to the motion; he considered the inducement, in the reduction of the capital, held out in this proposition to the creditors, a full equivalent for the irredeemable quality proposed to be given it.

Mr. AMES.—It was moved to strike out the word “irredeemable” from the proposition of the Secretary. In order to judge of the expediency of adopting the motion, it will be necessary to take an extensive view of the whole subject. It will be proper to inquire whether it is necessary to effect a new modification of the debt, what ought to be the principle and terms of it, and whether the proposed amendment is or is not consistent with them?

Why do we not provide for paying six per cent.? Let us perform the contract as it was made. This has been frequently said. I answer, other terms to be agreed upon will better promote the interest of both parties.

Unquestionably the contract is binding on the Government at six per cent.; nor can any thing short of the free consent of the creditors annul or change it.

We are to exclude from the discussion all suspicion of bad faith; Government should not distrust itself, nor suppose that it is distrusted. The question turns, not on the willingness, but on the ability to pay; not merely the ability of the people, but of the Government. We are not to regard alone the vigor and efficiency of Government, for this is not to be trusted as the measure of its power to tax. For this power depends greatly on habit, and is the slowest growth of all the habits of a country. By often imposing taxes, Government may be sure of their productiveness, and in what form they can best be supported. A new tax is more grievous than an old one; for the people form their habits of living to the permanent state of things. Experience only can teach the Government what is practicable, and what is prudent; and habit not only makes public burthens less obnoxious, but less oppressive. I infer that Congress is not possessed of its entire capacity to form sufficient funds, nor of the evidence to satisfy the creditors that they will be sufficient for six per cent. The funds must be sufficient, otherwise they cannot be pledged, and known to be sufficient, otherwise they will not be trusted. We may say and believe, that the taxes will produce a sum adequate to six per cent., but it will be with a degree of doubt, and subject to contingencies equally unfriendly to the public and its creditors. Securities would fluctuate, for the doubt would be a subject of speculation. The creditors would lose much of

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their capital in the market, and the public would lose the use of the debt as money. Those who advocate a six per cent. provision, will please to point out the taxes which will ensure the payment at that rate. Straining the sources of taxation may make the product of the first year considerable; but that of the succeeding years will be impaired. Besides, is it consistent with prudence for a nation to pledge its funds to the extent of its capacity? Contingent expenses cannot be avoided. These would injure the funds, and war would totally destroy the whole system. This is doing, at best, but temporary justice to the creditors; but as the insecurity of the paper will effect the price, it will not merit even that title.

This leads to a view of the nature of this property. When the funds are sure and sufficient, the capital will rise in proportion to the rate of interest. The best condition of the paper is, when it has a fixed exchangeable value, and at the highest rate. For then the holder can dispose of it at pleasure, and without loss. He has no occasion to desire the public to pay off the loan, as he can get his money more conveniently at the time and in the place he may choose by selling at market. The paper is as good as the money lent. He may therefore be said to every useful purpose to keep his property while he is paid for lending. This is better and safer than private debts, and this is the natural state of public credit, and something must be found wrong where it is not so fixed. It is the interest of the creditors to concur with Government in the means which will bring it to this desirable point. What are those means?

The Secretary has offered several proposals. Will these, or an adherence to the original contract, in exclusion of them, best promote the object?

One of the primary means proposed by the Secretary is funding the debt. Perhaps the strict claims of the creditors could not be extended beyond annual grants. But policy and liberal justice forbid the measure. Where this has been tried in some of the States, the securities have not risen above six shillings and eight pence in the pound. I do not pretend that Government suffers any damage by funding; but the contrary. The creditors, however, acquire a new right and a valuable interest in the funds. For the appropriation is selling or mortgaging the public revenues, and making them private property. It is the delivery of a pawn for the security of the debt.

The great operation, however, to give permanency and value to this pledge, and in a sense, to insure the funds against adverse contingencies, is the establishment of a sinking fund. It cannot be the interest of the creditors to receive perpetual annuities at any rate of interest which shall exclude this provision. For in that case, six, and possibly even ten per cent. would give them a bad bargain. In proportion as the rate of interest is raised, the securities ought to rise, but as the risk of a failure

of payment is increased even more than in proportion to the rise of interest, it is scarcely to be doubted that the securities would sink below the value which they will acquire by the proposed loan. It will be proper to ask here, will any gentleman affirm with confidence that a sufficient and sure provision can be made at six per cent.? Will he go further, and designate adequate and proper subjects of taxation to ensure the payment? No gentleman has yet attempted this task, nor do I believe that it can be done with any prudence. But even this task if accomplished by the advocates of six per cent. will not be sufficient. They must proceed and furnish a surplus revenue as a sinking fund. In proportion as the rate of interest is raised, the provision for it becomes hazardous; and in the degree that it is so, the sinking fund must be made more ample to secure it. It will be safe to rest the argument on this point, and to insist that as no evidence is offered to show that funds adequate to these objects can be provided, the interest of the public and its creditors equally forbids a dependence upon them. The sinking fund is an indispensable part of every system; it secures the capital loaned as well as the interest; for every million that shall be paid off will make the residue more safe. If the whole debt was reduced from eighty millions to eight, it could scarcely be so mismanaged as to want credit. The sinking fund will be constantly operating to bring it to that point. It is also a security against the danger arising from an increase of public expense; it will also prevent great fluctuation in the value of the paper; for when it shall be cheapest, the purchases of Government will raise it in the market. Again, in our country, the quantity of money and other active property is not in proportion to real estate; a great national debt, when brought to market, may exceed the demand. The purchases of Government will bring the demand to an equality with the stock offered for sale. Suppose the amount of the money annually employed in buying up the public paper to be five millions; the discount is now sixty per cent., paper being at eight shillings in the pound. If Government could throw into the market one million for the like purpose, it would increase the demand twenty-five per cent.; and the same money when in circulation may be calculated to be in part at least employed by individuals for the purchase of securities, which would further increase the demand. Perhaps the single operation of a sinking fund may be calculated to diminish the present discount one half.

There is no subject so purely artificial as the science of public debts; whether I have assumed false principles, and drawn fanciful conclusions from them, will appear by resorting to facts.

Great Britain has repeatedly changed the form of her debt. George I. was scarcely seated on the throne before a rebellion broke out. This was suppressed, but doubts remained in regard to his title to the throne, and of the abil-

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ity of the public to pay its creditors. To put the public credit on a stable basis, the Parliament proposed a new loan of the debt, amounting to more than thirty millions sterling at a reduced interest of four per cent. The South Sea Company were authorized to buy up the debts, or to suffer the creditors to take shares of the South Sea stock. This act passed in 1719, and the famous South Sea bubble happened the next year.

A still greater operation of the like kind was accomplished in 1749; and the interest on a debt near double the amount of the former (fifty-seven millions) was reduced from four to three per cent. The war of 1741, which was ended in 1748 by the peace of Aix la Chapelle, had greatly increased the public burthens. It was proposed to pay the former interest till the end of 1750, then three and a half till the end of 1757, and after that time three per cent. It will seem strange that the creditors should voluntarily accept a less rate of interest. We are well informed, however, that they consented to it for the sake of the increased security of the capital, and the stipulated interest; for by the savings of interest the sinking fund was increased; the conduct of creditors would be unintelligible otherwise; for as the interest was funded before, and regularly paid, the only motive to be discerned for consenting to the reduction is what has been just assigned. The sinking fund has been called the last hope of the nation, and the misapplication of it has been the subject of great complaint; and it may be demanded, was not this reasoning of the creditors just? For if the public revenue had stood charged to the extent of what it could produce, would not the credit of the debt have rested upon a very unsound basis? Britain had been frequently engaged in wars for extending commerce, or establishing the balance of power; and the unsuccessful war of 1741 had ended in a precarious state of armed peace. Unless the nation could be relieved so far as to prepare for new wars, the creditors foresaw the failure of the public faith.

I shall be told that the proposal of a new loan is not to be defended unless the terms are fair and free; and that, in the instances alluded to, Great Britain offered a new loan in one hand, and the money to redeem the debt in the other. Every thing regarding the public faith is so important as to be entitled to a full examination.

The first capital operation of the reduction of interest was in 1719. Was the offer to pay off the creditors made at the same time with the offer to pay four per cent.? It seems to be understood that the creditors were threatened, in case they should refuse to accept the reduced interest, with being compelled to receive their capital. This, however, is not true; no offer to pay off the capital was then made; the South Sea Company was expressly authorized to pay off the debts, or so many of them at a time as they, in regard to their own circumstances and ability, should think fit. Accordingly the fact

corresponded with the authority; and nothing but the stock of the Company was offered in payment for about five-sixths of the debt. It is true indeed that the stock sold at a great advance, and therefore was better than money; but it is also true, that the Company took advantage of the rise of stock to the utmost, and at the rate of three hundred and seventy-five per cent. except for about one-sixth part, which they offered to pay in money and their own bonds; but as stock continued to rise, they made new offers at five hundred per cent., and near two-thirds of the debt was subscribed in a few days; they afterwards renewed the offer, but at eight hundred per cent. It was provided in the act of Parliament, that the debts not subscribed or paid off, should remain upon their former footing, and not that the creditors should have their capital redeemed. But a circumstance absolutely conclusive against the reasoning urged in objection is, that the half of the debt was irredeemable, and of course the creditors were not liable to the threats of Government, that on refusing the new loan they should be paid off. They had nothing to fear on that score, and of course could not regard any motive but the advantage in point of greater security which has been insisted on already.

In 1749, the fact is equally against the argument in question. There was not any offer on the part of Government to pay off the creditors; indeed a second act was made extending the term within which the creditors might subscribe to the new loan. But so far from paying them off, the terms were made harder against them, and the reduction to three per cent. was appointed to a period two years earlier—1755. In a third act it cannot be denied that means were used to pay off the nonsubscribers. But the unsubscribed debt was then reduced to the moderate sum of one million and thirteen thousand pounds; and the bank was empowered to pay off that sum. The King, the Lords, and the Commons speak of this transaction as highly beneficial to the nation, and not including the least violation of the public faith. Accordingly the bills passed by large majorities, and with a great degree of popularity with the nation.

I am surprised that the opinion should have been so readily admitted, that such an offer ought to be made, or that it could be carried into execution. Could Britain have paid off seventy millions sterling? The existence of a national debt is proof that she could not. A nation that can pay the capital would not pay the interest. It is so far from being true that Britain could pay off her debt, that all Europe could not do it. America is at this moment more able to pay off than Britain, for two reasons;—her debt is not so great, and the rate of interest is higher, so that she might procure new loans on better terms in Europe.

I cannot discern the obligation arising from the justice or reason of the case, to pay off on the refusal of the terms. I should suppose that if new terms were not to be approved, the old

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contract should continue; and that is precisely the language of the British statutes. It does no injury to the creditors to propose to mend their condition; the offer, if refused, leaves the parties on the former footing. When it was urged therefore that Government ought to offer payment when new terms are offered, am I not at liberty to affirm that this opinion is not warranted by history, nor practicable in itself, nor required by the reason and justice of the case? It is admitted, however, that the terms ought to be fair and free: are those proposed by the Secretary such, and will they give the highest value and most fixed quality to the debt? On some of the terms full payment is offered to such as may prefer lands, on others an equivalent. Whether this offer is, or is not an equivalent, remains to be inquired.

The debt is offered to be made irredeemable, except at the rate of one per cent. Government agrees to forego the advantage of the fall of interest. In times of war and calamity, nations are obliged to pay a high interest; but when peace and commerce have reduced the rate of interest, they are enabled, by new loans, to reduce the debt to its proper standard. It is now peace, and Government may fairly offer to make the debt irredeemable at the due rate of interest. This is what the Secretary proposes. The question, however, recurs, is this arrangement beneficial to the creditor, and in what degree is it so?

It is urged that the creditors are rather disposed to consider the redemption of the debt as a desirable thing. They wish to get their money. How, then, it is demanded, can the irredeemable quality of the debt be considered as a subject of compensation and advantage to the creditor? However paradoxical it may seem, all that is just stated may be conceded, and yet the irredeemable quality of the debt may be highly beneficial to the creditor.

A compendious proof of this may be found in this way: suppose that the proposal was made to make the debt irredeemable at six per cent. interest. The burthen upon the public would be manifestly unreasonable, and the advantage to the creditor equally so; and for this plain reason, the public would be restrained from taking advantage of the fall of interest in this country, or of the present low rate in Europe. Making the debt redeemable will not redeem it, nor will it be of any use to the creditor. If six per cent. irredeemable would be a hard bargain to the public, will the like stipulation at a less rate of interest prove mutually beneficial? This is a question for the public, on deliberation, to propose, and the creditors freely to decide.

It is necessary to premise, that the Secretary has founded his report upon these two principles. On the idea that the entire mass of the debt constitutes a burthen which it is inconvenient to bear at once, he has proposed to divide it into two portions. The first portion of two-thirds is to be provided for at six per cent.; the

other third is to be taken up after the period of ten years, when our strength may be equal to bearing it; and this postponement is proposed upon terms favorable to both parties. It is favorable to the public; first, because it relieves the public from the pressure of the present necessity; and secondly, the debt to be funded is nineteen per cent. less than the present debt, that is, the public receive one hundred dollars, and in consideration of the irredeemable quality stipulated in the loan, is burdened only with providing for eighty-one dollars. The amount of the nineteen per cent. upon the entire domestic debt is near thirteen millions.

The advantage to the public is so manifest that I entertain no fear of its being overlooked; a more formidable difficulty arises from the other quarter. It will be said the public, it is true, will gain; but it gains too much, it is a dishonest as well as an enormous gain, which is extorted from the creditor.

I respect this objection, and will endeavor, with proper candor, to obviate its force; and this will lead me to the second principle of the Secretary—that the reduction of the market rate of interest will make good to the creditor the release of nineteen per cent. of the capital loaned.

This question is submitted to the security holders. Is it better for you to receive a less rate of interest on the terms of receiving it a longer time, or a higher rate for less time? We propose to pay longer on condition of paying less yearly. Supposing the funds to be sure, the value of the capital will be regulated by the rate of interest. As interest falls, the capital will rise; if in five years interest should fall to five per cent., and in fifteen more to four per cent. the creditor will be compensated. The grounds of this reduction of interest are to be examined.

It is made probable by facts. Before the war interest was at the rate of five per cent. in the Eastern part of America, then things were in their natural state, and as soon as the violent causes which have disturbed their equipoise have ceased to act, they will return to it. This is the more to be expected, as the rate of interest in Europe is low, and becoming still lower. Trade is still extending itself; wealth continues to increase; the surplus property which the owner cannot employ is offered on loan to those who can, and the market is more and more overstocked with the quantity; precisely the contrary has happened in this country; a great part of our active property was destroyed by the war; but most evils tend to their own cure. Supposing a safe and firm Government, the high rate of interest here naturally tends to draw the surplus capital from Europe, it will find its level; peace is diligently repairing the waste of war. I turn with pleasure from this barren disquisition to a scene that is interesting to our philanthropy as well as to our patriotism. My heart glows while I think of the contrast between the situation of this country in 1796

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and now in 1790. No country ever made a more rapid progress towards opulence. Wherever we look, industry is working miracles, we may doubt whether interest will not fall even further than is calculated. Probably trade will not bear an interest so high as six per cent.; and the person who borrows must, after paying the interest, reserve a profit; and when few are disposed to borrow, many will be ready to lend, and interest will fall. But a debt funded as it is proposed will be safer and more eligible than any private debts. Four per cent. from Government will be nearly equal to six from individuals: and a debt so funded will itself reduce the rate of interest. For even if it should be all sold to foreigners, they will pay the value, and the property paid will increase the common stock and lower interest.

The debt is to be considered, when funded, as an increase of active capital. We have been often told that a public debt is not a blessing, but an evil. We are not to compare a debt with no debt; for it is a desirable thing to be free from debt; but the debt is already contracted, and we are to compare an unfunded fluctuating debt with a funded debt. Such a debt as the latter may be comparatively a blessing, for it makes the capital transferable as well as the income. We have but a small share of personal property; but this will make the very land and houses circulate. It is true it is an artificial capital formed by a charge upon every other capital, but it is also true, that it is formed by small savings in expense, and if the taxes were not to be laid, there would not be an increase of wealth at the end of a year equal to the debt or the interest of it. A single cent in the price of an article cannot be said to impoverish the people, or to restrain them from enjoying their usual habits of living. Indeed it may tend in some degree to prevent excess, and to promote frugality, which will enrich the people. But at the end of the year these almost imperceptible sums, by their union into one mass, acquire a new power. The whole may be said to have properties which did not belong to the separate parts. The active circulation promoted by the debt will, in a considerable degree, compensate the burthen of paying taxes. Those whose property is increased by possessing the debt will become greater consumers in proportion, and contribute largely to the revenue.

Another circumstance ought to be regarded: foreigners will be led to think the Government safe, when they think the funds so. Many will follow the property and come to live among us. Whether the advantages of a funded debt will balance the burthen of having one is a question of mere speculation. We have a debt, and must provide for it. It cannot be denied, however, that these advantages will be considerable, and will tend to reduce the rate of interest. Such a reduction actually took place in England after the establishment of public credit. In about five years after 1693, interest fell from eight and ten per cent. to five.

Whether interest will or will not fall in the degree that the Secretary expects is a matter of fair calculation. Taking the reasons together which have been offered to evince the affirmative, there cannot be any impropriety in proposing to the creditors to consent to an arrangement which promises them such solid advantage.

Let this advantage be computed—eighty-one dollars are to be funded at six per cent. This is nearly £4. 17s. 8d. per cent. The irredeemable quality of the debt may well be reckoned equal to one per cent. It will be worth near that to foreigners. Add to this, interest is to be paid quarterly. This is not only convenient, but actually makes some increase of the rate of interest.

The question may very properly be proposed to the creditors. Is this a fair equivalent? Is this as good as six per cent.? Nay, is it not better for them? Their debt is to be funded; revenues to be mortgaged for the interest; Government agrees to continue paying, though interest should fall, and to provide a sinking fund to ensure these advantages. Nor can it be said that the loan is forced, for Government being at present in a condition to pay only four per cent., offers it equally to subscribers and non-subscribers. This also removes the pretext that advantage is taken of their necessities.

Was any relief ever proposed in any country on terms more fair and beneficial to the creditors? We have examined the facts relating to the English funds. Their creditors sacrificed more, and for less. Of all the modifications of a public debt with which we are acquainted, is there one less exceptionable than that proposed by the Secretary?

However artificial this reasoning may appear, it is no longer considered as strange and visionary in Europe. In this transaction Government is to accommodate its proposals to the ideas which experience has established in other countries. I will not deny that I should have preferred a simple six per cent. proposition, redeemable at the pleasure of Government. But we have seen the inexpediency of that measure.

Upon the whole, I submit it to the candid judgment of the committee whether if a Congress of debtors only should legislate, they could, with justice, or even policy, secure greater advantages to the nation; or whether a Congress of creditors only could, with any degree of prudence, provide better for themselves?

Mr. JACKSON observed, that he should not follow the gentleman (Mr. AMES) through the long tract of history which he had entered into; although he would hint to the gentleman, that the history of Great Britain, which had been so much objected to on former occasions, seemed, as it suited the gentleman's purposes, to be the best authority now. But he rose to answer some of the arguments he had adduced.

The gentleman had quoted the situation of Great Britain in the year 1719, and had shown that she cleared off full one-half of her national



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debt, and could have cleared the other also, if she had not been prevented by its irredeemable quality. I will appeal to the gentleman himself, if this is not the strongest reason for striking out the words, and if his argument (as he he could wish it) is not totally inadmissible.

He has likewise pointed out to us the flattering prospects and flourishing situation of the country, such, indeed, as no other nation ever possessed; and has produced the amazing increase of resources which America has derived from the year 1786 to the present time. Sir, this argument is the strongest evidence for the motion I have the honor to make you, and is the most forcible reason why we should not tie our hands up from redeeming our debt. From the gentleman's description, we may be able to get rid of it in a very few years; and shall we prevent our having the power of doing so? He trusted not.

The irredeemable quality, he found from the gentleman, was to prevent the public from paying off the principal, if the rate of interest should so fall as to make the capital of greater value. As, for instance, if the national rate of interest fell to three per cent. that the public should pay the advance, which would be twenty-five per cent., and, of course, that sum was to be paid for every one hundred pounds principal. This was what he could not consent to. The public had contracted a debt, and he wished them honestly and fairly to pay the amount of it. He was not for depreciating that debt; but at the same time he was not for appreciating it beyond its real value. He wished that the honor of the nation might be preserved; that every shilling might be provided for, but not a shilling more.

It had been advanced, that, by this quality a part of the principal would be sunk, and that if the motion took place this would not be the case. Mr. J. here observed, that the country would not be injured by the motion he had made, nor by the raising the interest to six per cent. He wished it done for the honor and faith of the nation—it was agreeable to the original contract. He had before shown, that, as the resolution was now worded, it was altogether for the benefit of the foreign creditor, and that it would prove a pernicious drain to our species; that the lowering the interest would add to that drain, and that, therefore, it was a disadvantage. The common rate of interest in the Southern States is eight per cent. If the interest of the debt was reduced to four, would any man in those States hold stock at that rate? Would they not altogether sell out, even at a loss, and loan their moneys to individuals at eight per cent., and regain their capital? It would be a natural consequence: and there would be no holder of stock in those parts. The securities would either go into the hands of foreigners, or be purchased up in the Northern States. It was therefore clearly the interest of America to raise the principal and interest agreeable to the contract, to keep as much

within the States as possible, and, to make the but then agreeable, to have it divided and dispersed generally among our own citizens.

The gentleman had said, that foreigners would follow their property into this country. This he could not agree to. The characters which would purchase were generally the brokers he had alluded to, who lived on their interest, without regarding their posterity; they were chiefly superannuated, and well settled, and of course would not be for a change of situation; but if they did, the evil would still remain, and the securities would soon find their way to foreign countries again. The settlers here would experience it to be their interest to place their money in a more active capacity, and the same rate of interest would be the same inducement to other foreigners to purchase.

The gentleman had asked if it was the intention to oblige the public to pay compound interest? He would answer him, no. It was an opinion held out, where persons might not prefer our Western lands. It would show creditors, that Congress provided for them as much as lay in their compass at present, and that the remainder would be provided for whenever the United States had it in their power. If he did not understand the original proposition, he begged to be set right; but as he understood it, the present motion would leave the proposition, on the head of interest, as it found it; the principal only would be raised to its nominal amount.

The motion, he contended, was just to our creditors, and complied with our engagements, it was just to ourselves. He hoped the committee would view the word "irredeemable" as he did, and as he was convinced our fellow-citizens would view it, as obnoxious and impolitic. He would beg the committee again to attend to the first argument he had noticed of the gentleman, (Mr. AMES,) that Great Britain, in the year 1799, might have sunk all her debt, but for this very tie which we were about to impose upon ourselves.

Mr. MADISON could not admit some of the doctrines of the gentleman, nor some of the conclusions drawn from others. The proposed modifications, however veiled or varnished by ourselves, could not be reconciled with the tenor of the public engagements, and must rest for their justification with the world on the circumstances of the country. The British example adverted to was not applicable. The creditors there, by refusing to subscribe to the new loan, remained in possession of their stipulated interest. It was but to let the transaction speak its true meaning; as it was decided to be the sense of the committee that the public circumstances required that the debt should be modified, the only questions left must relate to the form and words of the modification to be proposed. He wished to simplify the debt as much as possible, and should therefore agree to strike out the clause restraining the right of redemption to the rate of four dollars and a fraction per annum, in order to authorize the Go-

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vernment to pay it off at the rate of ten dollars per annum, as suggested by another gentleman from Massachusetts. If this be done, it would be proper to adjust the sum to be funded at the end of ten years, to the change made in the irredeemable term. The gentleman had drawn a pleasing, and, he hoped, a true picture of the growing prosperity of this country. But what would result from it? Not that the debt should be perpetuated; but that we should be able to begin a reduction of the principal, and ought not therefore to throw away the right to do so.

The Committee then rose and reported progress.

FRIDAY, March 12.

## PUBLIC CREDIT.

The House again went into a Committee on the report of the Secretary of the Treasury, Mr. BENSON in the chair.

The third proposition was again read.

Mr. LEE moved that this proposition be rejected.

Mr. FITZSIMONS observed, that if this is struck out, all idea of offering an alternative to the creditors is abandoned. He wished to inquire whether that was the mind of the committee. For if this is struck out, the creditors must receive the two-thirds at six per cent., and the residue in land.

Mr. LEE said, that having made provision for the debt to the extent of our abilities, he thought there was no obligation to attempt to do more; and being in favor of a simple plan of finance, he was opposed to increasing the propositions on which it is to be funded.

Mr. SEDGWICK observed, that to an inhabitant of Virginia, the plan of paying one-third of the debt in lands was an object of great consequence. But to those of the Middle and Northern States, this would prove a very inconsiderable inducement to subscribe to the loans. Upon terms of justice and equality, he therefore contended that the different alternatives ought to be held out to the inhabitants of the United States.

Mr. STONE was in favor of the motion. He anticipated foreigners becoming proprietors of our funds as an evil to be greatly deprecated. The settlement of the Western Territory by our own citizens is a desirable event; from this source we have always expected to derive the means of sinking a great proportion of our debt; and by confining the creditors to one object, we shall greatly interest the citizens of all the States. If we hold our different alternatives, we shall probably deprive ourselves of the advantage of making sale of any of our Western Territory.

Mr. SHERMAN was opposed to the motion. He thought it wise and just to hold out different propositions. He differed with Mr. SEDGWICK. He thought the lands would be an object with the New England people. They are addicted to emigration as much as any part of the Union.

He was for shortening the period for redemption; but hoped that the proposition would not be rejected altogether.

Mr. FITZSIMONS advocated the proposition, and entered into a particular consideration of the advantages which would result in the present circumstances of the country from foreigners purchasing our debt, provided they gave a full equivalent for it. The advantage of the cash which would thereby be brought into the country would more than counterbalance the payment of interest for many years to come.

The motion for rejecting the proposition being put, it was negatived.

The question then was on the amendment proposed by Mr. JACKSON for striking out what relates to irredeemability.

Mr. TUCKER, in a series of calculations upon certain principles, attempted to show that the irredeemable quality would greatly enhance the debts of the United States.

Mr. LAWRENCE replied to Mr. TUCKER, and showed that the gentleman's plan would greatly enhance the amount of the debt; whereas the Secretary's report demonstratively provides for lessening it. He agreed with the gentleman from Maryland, that we ought to do the best for our creditors; but did not think that making them only one offer, and that the one already agreed to, was doing the best we can. He mentioned the existing resources of the country, and the obligations we are under to exert ourselves upon that idea. He showed the advantage of the speculation of foreigners, and that it ought to be encouraged.

Mr. MADISON said, that foreigners speculating in our funds would induce a spirit of luxury. That the pernicious consequences of credit had been severely felt; that our experience did not justify the supposition that an influx of active property, or money, would be employed in agricultural improvements. He did not think that, if a medium to the amount of one-fourth of the value of all the property in the United States was to be thrown into circulation, that any more land would be cultivated.

Mr. GOODHUE said, that, if by retaining words, any advantage can be derived, there can be no doubt with gentlemen as to the eligibility of retaining them. He thought it had been demonstrated that advantages would result from this irredeemable quality.

Several other gentlemen spoke on the occasion. The motion was lost.

The Committee then rose and reported progress.

SATURDAY, March 13.

## PUBLIC CREDIT.

The House again went into a Committee on the report of the Secretary of the Treasury, Mr. BENSON in the chair.

The Chairman of the Committee having read the resolve, "That immediate provision ought to be made for the present debt of the United States," &c.

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*Public Credit.*

[H. OF R.]

Mr. AMES. —The word irredeemable is made the subject of objection. It is said to convey a disagreeable idea, and to tend to excite popular prejudice against the debt, as it implies that the public agrees to be saddled with a perpetual burthen of debt. In a land of ignorance, where the people are not in the habit, and have not the capacity to reason, it may be proper to pay regard to this objection. I have too much reverence for the sober thinking people whom we represent, to believe that the mere sound of this word will work mischief, when their own inquiries will convince them that the substance is not only unexceptionable, but highly beneficial.

Making the debt redeemable will not redeem it. It puts not a farthing in the creditor's pocket. Making it irredeemable is no restraint upon the present or probable capacity of the public to redeem. It will not prolong the evil of a public debt a single day, but rather the contrary. All the money that can be provided for paying off the debt may still be employed for the purpose, though the irredeemable quality should remain.

The proposal to make the debt irredeemable is founded on the supposed gradual reduction of interest. But until the reduction has actually happened in a shorter period, or in a greater degree than is calculated, the paper will not bear a higher price than one hundred per cent. While the debt is at par, or below par, the creditors will not refuse to receive their money. The public has also the right to redeem at the rate of one per cent. against their will. But the value will not rise to par while the rate of interest keeps up. The Government will therefore have full employment for all its surplus revenue to buy up the paper at a discount. Surely the public will not squander the public money to redeem the debt at par, when it is to be purchased at a discount. The latter is even more advantageous to the creditors. Buying at the market price, in fact, raises the price, and benefits those who do not sell. The greater the discount, the more paper a given sum will buy, and take out of the market. This not only raises the price, but increases the security of the unsold part. In these three ways, there is full exercise for the power of redemption, nor can it be supposed that the redeemable quality of the debt will increase the capacity of the public to redeem, or shorten the duration of the debt. The contrary may be proved by attending to these facts.

The Government, in consideration of making the debt irredeemable, is allowed nineteen per cent.; one hundred dollars are to be lent, and eighty-one only to be funded. The aggregate of the sums saved to the public by this nineteen per cent. is near thirteen millions. The public is therefore paid beforehand for not redeeming. The right renounced is valuable to the creditors, as it has been formerly shown, but of no value to the public. For the right to redeem is worth nothing, if the public has not the means

to redeem; and if money can be found, it appears that it can be better employed to buy up the debt than to pay it off. The capacity of the public is laid under no restraint. So far from it, thirteen millions will be already redeemed. Perhaps in a dozen years the public would not pay off that amount; and if it should prove able, it will have twenty years, according to the principles of the report, to buy stock on better terms than paying it off. Those who say we can redeem faster, and will not be satisfied with the argument I have just urged, will please to remember that by making the entire debt redeemable, we shall have more to redeem; with an imaginary increase of the power, will be an actual increase of the task to be performed. But will any one soberly assert, that the public will probably have the command of more money than it can find persons willing to accept for their stock; and unless this is asserted and really believed, I am sure the word irredeemable will not be struck out.

If, then, it is no burthen to the public, is it any disadvantage to the creditor? If the debt is below par, the public will buy stock, and will not pay off the capital. If at par, the creditor will not thank Government to do what he may get any individual, and in every great town, to do. If the debt should sell for more than par, it would be a loss to receive a less sum than the market price. This, indeed, is not to be speedily expected. In every view of the subject the advantage to the creditor of making the debt redeemable is merely delusive.

Still it will be asked, if no good will flow from striking out this word, will any result from retaining it?

What is our object? To establish public credit—and that is found when the stock will sell at par. The price of stock will depend upon the quantity offered to sale, and the demand.

In order to raise the price, we must provide means therefore to increase the demand; our own market for stock is a limited one; our citizens possess little money property, and that little is fully employed in active pursuits, and bears an higher interest than Government proposes to give; we cannot expect that a poor market will give credit to a great debt; we must regard the great market—the trading and monied world. To qualify the stock for the great European market, it must be made irredeemable; interest is low in Europe and high in America, but even a higher interest than six per cent would not compensate the European, if the property purchased want permanency. For if he has six per cent. for one or two years only, the charge of insurance, agency, &c. would reduce the net profit of his money below what he could get for it in Europe, where it would be under his eye, and subject to his control. You must give him a kind of estate, a freehold in the funds; for so long as he fears that you will borrow money and pay off his debt, after he has received interest a year or two, he will not buy stock at par. He will not deal in property

which will yield a good interest, but of uncertain duration. If the debt should pass at par, it will be easy to borrow money in Europe, because the price will be a proof of the good state of our credit, and nothing but credit is wanting to enable us to borrow abroad. In proportion as it may be easy for us to borrow on better terms than six per cent., the buyers will have more cause to consider the debt as an improper subject of their permanent arrangements. The reasons already urged will evince, that if there should be a disinclination abroad to possess our stock, it will be liable to a reduction of value.

It is urged that the debt, if it shall be sold to foreigners, will be a drain of our wealth to foreign countries. This merits examination. I have already endeavored to show that the debt, if not suited to the foreign market by being made irredeemable, will pass below par. A great discontent will hold out the strongest inducements to foreigners to purchase; they will buy more and for less; the discount will fully compensate the redemption, and this discount will be so much loss to the country. If, then, the drain of our wealth to pay interest to foreigners is an evil, this will aggravate the evil.

More will go out of the country, and less will be brought in to pay for it; we cannot help foreigners dealing in our funds. While our debt has any value, those who can best afford to run risks will deal in it. But if they will buy it, let us prevent their getting it for a trifle; let us make them pay for it. If they buy at par or near it, it may be questioned whether their purchases will be injurious; banish all doubts of your funds, and the sales will regulate themselves; when our citizens can better spare the property to buy stock than foreigners, they will buy it. It is bringing matters to the test of experience, whether the money can be employed more usefully in that or some other way. If a man can get more for his money than stock yields, it seems to be the interest of the nation to import money at four per cent, and employ its own at a higher rate. This is rather making a drain of foreign property into our country than the contrary. It is not to be forgotten, that in the competition between American and foreign purchasers, the former will constantly have the advantage—for the latter, as has been before mentioned, will have agency and other charges to pay. We may expect, therefore, that the property paid by foreigners for our stock, will yield a greater profit, and be more usefully employed in the country, than the stock itself. It is true, that interest will be paid to strangers; but it is deducible from the principles which I have endeavored to establish, that the property paid by them for stock, will yield a profit more than sufficient to pay it—in that case, as a nation we shall gain. It is probable, too, that a great portion of the interest money due to foreigners will be stopped in the country to buy articles, as these will bear an advantage in Europe; but money will be subject to the deductions of insurance and other charges.

If the purchase of stock by foreigners should, however, still be considered as injurious, let it be repeated that the motion in debate furnishes no remedy for the evil; for the greater the discount the more they will purchase. We cannot prevent their buying; all that remains for us to do is, to oblige them to pay for what they purchase by giving a fixed and high value to the debt. This, we are told, will swell the wealth of stockjobbers. Those who make a science of speculation are gainers by the fluctuating state of funds. To banish speculation, give as certain a value as possible to your stock. My own belief is, that these things will be found necessary to effect this object—a national bank, an ample sinking fund, and considerable sales of stock to foreigners. It is allowed that the irredeemable quality of stock fits it for the last purpose, and as the nation is well paid for it by the nineteen per cent. on the capital, and will gain more as the stock shall sell for more; as it lays no restraint upon the application of all its surplus revenue to extinguish the debt, and will not increase the supposed evil of sales of stock to foreigners, and as it will prove mutually beneficial to the nation and its creditors, it is my desire that the word irredeemable may not be stricken out.

Mr. GERRY observed, that he should have risen before this proposition was read, had he not supposed that the gentleman from Pennsylvania (Mr. FRIZZIMONS) intended to bring forward his motion for filling up the blanks left in the proposition which was considered yesterday, he having informed the committee that he proposed to make his motion in the House. Mr. GERRY said, that as many gentlemen appeared to be satisfied that the propositions for modifying the debt would be acceptable to the creditors, and he entertained a different opinion, he hoped for the indulgence of the committee whilst he submitted his reasons for differing from them. He considered this part of the Secretary's plan as the most important of the whole: it is the essence of the funding system, the pivot on which will depend the equilibrium of public credit. He had always conceived that public credit was indispensable to our national existence under any form of Government, and being in favor of the Secretary's plan in general, he should give it every support in his power; but not thinking it perfect, he expressed a wish that its defects might be cured.

The Secretary, said Mr. G., lays it down as a maxim, and I think it cannot be contested, "that the maintenance of public credit can only be effected by good faith, and a punctual performance of contracts." Let us inquire what is the existing contract between the United States and their creditors, in what manner it has been complied with, and how far it is now in the power of Congress to do them justice.

The contract, it is well known, is to pay the principal of the debt in specie, with an interest till paid of six per cent. per annum. The principal, indeed, of part of the debt, being pay-

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able in three years after it was contracted, is now due; but this class of the creditors will probably be satisfied with the provision to be made for the others.

And in what manner has the contract been complied with? A small part of the interest has been paid by bills of exchange on France, and the residue has been paid in depreciated paper, or is now due to the creditors.

He then inquired, how far it is in the power of Congress to do justice to the creditors? This point, he said, had never been ascertained; but we now intend to propose to the subscribing creditors, to fund two-thirds of their debt at six per cent, redeemable at the pleasure of Congress, and to pay the other third in Western lands; or to fund two-thirds at six per cent, irredeemable in a stipulated degree, and to fund in ten years a sum not yet ascertained to be an equivalent. The surplus of the funds, if any, is to be applied to the payment of the interest due to non-subscribers, so as not to exceed four per cent., agreeably to the proposition of the Secretary. Is this securing, or is it doing all we can to secure to the creditors a compliance with the terms of the contract? I conceive it is neither.

That the propositions do not secure such a compliance is evident at first blush; for who would give as much for one hundred dollars, two-thirds of which shall be funded in one of the modes proposed, and the other third payable in lands, or in an equivalent to be funded ten years hence, as for one hundred dollars funded at six per cent. per annum, and redeemable at the pleasure of Congress? No man of common understanding, as I think, will hereafter appear.

That the making such proposals is not doing all we can to secure such a compliance, is, I think, equally evident.

Some gentlemen have declared, that they have no idea of the ability of Government to fulfil the contract, and that the creditors have abandoned an expectation of receiving either the whole of the principal or of the interest that is due to them. What evidence have we of this? If we may judge from the justice of their claims, from their urgency and impatience, and from the petitions of the creditors, they expect the whole of their principal and interest: but if they do not, will it not be evident that they consider the nation in a state of bankruptcy? And is it not our duty to convince them, and all the world, of our ability and disposition to pay our debts, by doing the strictest justice to our creditors.

If gentlemen have no idea of the ability of Government to do this, they must either despair of resources, or of the support of the people in drawing them forth; and if the former, is it not our duty, and will it not be more honorable to apply the resources as far as they will go to the discharge of the debt, and to depend on our increasing population, commerce, husbandry, and manufactures, and also on the Western Terri-

tory, for an increase of means, rather than to declare a national bankruptcy? This, like Pandora's box, would be pregnant with every evil; would shake the Government to its foundation, and endanger our National independence. But why, if they despair of resources, do gentlemen resolve to make adequate provision for fulfilling our engagements with foreigners? Are we, in cases of exigency, to rest the support of our Government on foreigners, or on our own citizens? If the latter, will they ever trust us after such partiality to foreigners? Are not the debts contracted with our citizens as justly due as those of the other description? If we ought to make a discrimination, ought it not, on principles of policy, to be in favor of our own citizens? May not our National existence depend on our credit with them? I am not, however, in any event, for making such a distinction; for, in case of a bankruptcy, I should be in favor of equal justice to every creditor. But why this despondency? Shall we not, by despairing, or even doubting of our ability to support public credit, materially injure it? Shall we not be censured for want of firmness? Shall we not be responsible for having thus despaired of the Commonwealth? and, what is worse, for having despaired without cause?

Have we attended to our resources? Have we an adequate idea of them, and of the demands of Government? By the Secretary's report it appears that the whole amount of the foreign debt and interest, and of the domestic debt, liquidated and unliquidated, and interest, including the State debts, is \$79,124,464 56. That there will annually be requisite

For the interest of the foreign debt,	\$542,599 66
For the interest of the domestic debt,	
if paid according to the contract,	4,044,845 15
For the civil list, and other expenses of Government,	600,000 00
Total,	\$5,187,444 81

The revenue reported in his first estimate, is	2,843,000 00
In his last estimate,	1,060,000 00
Making	\$3,903,000 00

Which leaves a deficiency of \$1,284,444 81, for funding the whole debt according to contract.

The Secretary has likewise reported, that he has additional resources, without extending taxation to houses or lands, or the stock or produce of farms: and we have no reason to suppose that those additional resources would not be adequate to the making up this deficiency. But if this is not the case, it is well known that, in consequence of the propositions of Congress in April, 1783, many of the States divested, as they consented to be, of the impost, and loaded with State debts, far exceeding their present amount, agreed to provide annually their respective proportions of what were called the supplementary funds, amounting to 1,500,000

dollars; and can any one doubt, that exonerated as the States will now be of their debts, the citizens of the United States, in their present circumstances, can, with much more ease, pay the deficiency mentioned, than they could, at that period, the supplementary funds? Indeed, can any one doubt our ability at this time to fund the National debt, according to the stipulated terms of the contract? If there are any such, I confess myself not of the number. It is said, we must have in reserve resources in case of exigencies. This may be proper; but is not the support of public credit of the greatest moment? May not the loss of it prove an irreparable injury? And are we to incur a certain evil to avoid an uncertain one?

If our resources then are not to be doubted, what reason have we to distrust the support of our constituents? Should it be suggested in our hearing, that they were indisposed to pay a debt that had not only a claim on their justice, but on their honor and generosity—a debt that is the price of their independence, should we not kindle with indignation? And shall we, by an unreasonable distrust, be the first to fix such a stigma on our constituents? Or, conducting thus, shall we not justly merit their resentment? If it be asked, what shall we do to fulfil, as far as possible, our contract? I answer, we ought not to oblige the creditors to take two-thirds of their demands in funded securities, and the other third in wild lands, or in what you may call an equivalent, ten years hence; or to receive the alternative provided for the unsubscribed debt. A great part of the debt is still in the hands of the original holders, to do justice to whom the committee are unanimous in their wishes. If we suppose ten millions of dollars in the hands of speculators, the value thereof will, at the late average rate of stocks, amount to between three and four millions dollars in specie, a sum, I conceive, exceeding the property of the speculators altogether; but suppose they hold fifteen millions dollars, foreigners five millions, and the States, exclusive of Pennsylvania, three or four millions, (for that State, having exchanged her funded certificates for Continental securities, which were generally owned by original holders, must, according to the Secretary's plan, deliver them into the Federal Treasury, or re-exchange them,) it is evident, then, that two-thirds of the public debt is in the hands of the original holders. Let us however suppose but half, will many of them be willing, or, if willing, be able, to receive lands for a third of their debts? If the lands were cultivated, and near them, would they be equal to an interest of six per cent., or of more than four per cent., except, perhaps, in some of the Southern States? And would they be disposed to accept of your proposal? But remote as these lands are, invested by hostile Indians, wild and uncultivated, will they furnish food or clothing to your creditors? Should a few purchase, will they not be comparatively very few?

Again, will funding an equivalent for one-third ten years hence be fulfilling the contract? After being ten or fifteen years put off with promises, will the creditors be thus satisfied? Will it be in their power, advanced as many of them are in years, and called on, perhaps, by their own creditors, whom your disappointments have prevented them from paying, to accept such terms? Suppose an individual had trusted another for such a term of years, and at the end thereof, when the latter was in possession of his estate, had been told that two-thirds of the interest should be annually paid; and that the other third, or an equivalent, should be paid in ten years, would the proposal establish the credit of the debtor? Or would he not be considered as a person destitute of honesty? How, then, can we expect, merely by such proposals, to establish the public credit?

Gentlemen conceive that the proposition referred to will be an equivalent, on the principle laid down by the Secretary, viz. that a less capital at a fixed rate of interest may be an equivalent for a greater capital at a variable rate; but admitting this principle, are not the data doubtful on which the calculations are made, that interest in five years will fall to five per cent., and twenty years to four.

It is well known that the genius of our fellow citizens is enterprising. We see them, although we have wild lands exceeding in extent the German dominion, crossing the Mississippi to speculate in lands in the Spanish dominions. We see them extending their commercial speculations to the North Pole, and they will go to the South Pole on the first discovery of a commercial territory. In our funds they speculate deeply, and they are as conspicuous for their speculations in forms of Government. Scarcely a year revolves without our seeing some of the States, or the United States, adopting a new system of Government; and, before twenty shall elapse, we may expect that the latter, in their turn, will form one or two constitutions. We are also, like other nations, subject to foreign wars and internal commotions: these, and such like events, are beyond our control; and whenever they take place, will increase the rate of interest. The probability is therefore not more in favor of the fall than of the rise of interest: and if it should not fall, the proposition to be made will injure the creditors. I conceive, then, that we have no more right to assume the principle that interest will fall, and by assuming it, to reduce the interest, than the creditors whose principal is due have a right to assume the contrary principle, in order to increase the rate of interest. The fairest way is, to presume that the interest will continue at the rate it now is, and whenever it falls, to take the benefit of it so far as shall be consistent with justice. Few of the creditors understand the calculation of equivalents, and will be apt to consider them as a State artifice to reduce the value of stocks. They will be confirmed in this opinion, however honest our intentions may be, by the dis-



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*Appropriation Bill.*

[H. OF R.]

position we are making to purchase the debt at the market price. We have no right to make arrangements of this kind, until the whole debt is fairly funded; and then, if we have funds left, we shall have a right to apply them in the way mentioned.

Some gentlemen have supposed that sixty-six and two-thirds of dollars ten years hence may be worth one hundred dollars; but this supposition does not establish the fact. The rise and fall of stocks depend on events, these may reduce the sum first mentioned to thirty-three and one-third dollars.

If, then, the two propositions which have been examined do not secure a compliance with the original contract, will the alternative which is left for non-subscribers? This provides that the dregs of the revenue, which may amount to nothing, shall be applied to pay their interest, not to exceed, in any event four per cent. per annum. Will not this, in lieu of an equitable provision for the creditors, be considered as a penalty for their not subscribing.

Mr. G. then said, he presumed it must appear that further provision is necessary, and he should offer a proposition as an addition to the two that are adopted, in the following words:

“Or to have sixty-six dollars and two-thirds of a dollar funded immediately, at a yearly interest of six per cent.; and thirty-three dollars and one-third of a dollar in an unfunded certificate, bearing an annual interest of six per cent., payable at the option of the holder, annually, in a funded certificate at a yearly interest of six per cent., or as soon as funds can be provided, in specie; and that the faith of Congress be pledged to fund as soon as possible the unfunded certificate.”

By this proposition, if Congress wish for time to make their arrangements, the creditor may either receive annually the interest on the unfunded part of his debt in a funded certificate, or, if he prefers specie, he may wait till Congress can provide it. It perhaps will be said, this will increase the capital; but we have already agreed to increase it by adding fifteen or twenty millions of dollars due for interest, or that will be due before the periods at which we are to fund the debt; and as we have done this because we cannot pay that interest, the same reason exists for adopting a similar measure with respect to the interest which may hereafter accrue, and which we shall not immediately provide to discharge. Within five years, Mr. G. supposed Congress would be able to fund this unfunded part of the debt; and if no part thereof should be received for lands, but the whole be subscribed on the terms of this proposition, the capital of the debt would, at the end of five years, be increased but 5,393,124 dollars, and the interest which would be paid during that period on the funded certificates to be issued for interest, would be but 808,920 dollars. In such an event there would be no irredeemable quality in any part of the debt, the disadvantages of which overbalanced, in the minds of the committee, the advantages of reducing

its capital, as was evident from their vote yesterday, to lessen the time of redemption by increasing the capital.

The Secretary has justly reprobated every proposal that shall apply to the necessities, and not to the reason and interest of the creditors. If the two propositions agreed to do not apply to the latter, the necessity of the one now offered to the committee must be evident. If these propositions do apply, and are acceptable to the creditors, they will prefer them to this, which, however, will manifest our desire to do them all possible justice.

Mr. G. then said, he was not so attached to the motion he had made as not to give it up if any gentleman would offer a better, to attain the desirable object he aimed at. This he thought indispensable, because if we offered what we called an equivalent, and not what the creditors should consider as such, the intended loan would be a compulsory one, and, instead of supporting, would tend to destroy the public credit.

Mr. G.'s motion was seconded by Colonel BLAND, and laid on the table. After the other propositions were passed, it was taken up and debated, and as several gentlemen were much opposed to a decision on such a proposition at so late an hour as three o'clock, and at the end of the week, in the absence of a number of members, it was withdrawn, that the committee might report, and will probably be brought forward in the House.

The Committee then rose, and reported several resolutions on the report; which were ordered to lie on the table.

MONDAY, March 15.

#### APPROPRIATION BILL.

On motion of Mr. SHERMAN, the House resolved itself into a Committee of the whole on the bill making appropriations for the support of Government, Mr. BENSON in the chair.

Mr. SMITH (of South Carolina) moved to add after the fourth section, a clause providing for the payment of expenses on account of the light-house, at the entrance of the harbor of Charleston, previous to passing the act for making the cession thereof to Congress.

Mr. SHERMAN observed, that Congress would doubtless pay such expenses as have arisen subsequent to the time of the cession, agreeable to the act of the Legislature; but if any particular States have been remiss in paying off arrearages, which existed prior to that period, it certainly cannot be expected that such arrearages should be paid by the United States.

Mr. TUCKER observed, that the expenses referred to by his colleague were incurred in consequence of the funds being diverted into a different channel, which had been appropriated by the State for their discharge; the amount is not great; not more, perhaps, than four hundred pounds sterling; he thought that it was a just and equitable allowance, as it was ceded to the United States in an unfinished situation, has

H. OF R.]

*On Slavery.*

[MARCH 16, 1790.]

been finished since, and the State has been precluded from paying this expense, by the funds being absorbed by the United States.

Mr. LIVERMORE observed, that the present bill is a bill of appropriations, and not of grants; it refers to sums to be provided for by laws already past; the motion therefore appears to lie out of order.

Mr. TUCKER replied, that he was aware of the difficulty, and meant to have moved for an addition to the whole sum, by proposing that it be increased two thousand dollars, a sum which he supposed would be adequate to defraying the deficiency.

Mr. JACKSON advocated the motion, and added, he hoped the gentlemen from South Carolina would give their vote for certain improvements in the navigation of the Savannah river, which he mentioned, and which he designed to move for.

Mr. FITZSIMONS spoke against the motion. He showed its impropriety and unequal operations; that he thought it an inconsiderable object in itself, and more so when contemplated as coming from a State, which the United States have agreed to pay five millions of dollars for.

Mr. TUCKER replied to Mr. FITZSIMONS, and said, that he did not conceive the assumption of the State debts had any thing to do with the present motion; if the debts of South Carolina are to be paid, she will furnish the means, as it will be applying her resources to their proper object.

The motion being put, was negatived.

Mr. JACKSON, after some introductory observations, proposed the following amendment, after the words "Cape Henry," to add "and for removing the obstructions in the Savannah river, from that city to the sea."

The same objections respecting the informality of the amendment were made to this motion, as were to that offered by Mr. SMITH.

Mr. JACKSON, after insisting on the propriety of bringing forward the present motion, when the House was specially engaged in voting moneys for public expenses, and observing that according to the ideas of some gentlemen, the House had no right to add to the appropriations proposed by the Secretary, said, that according to this doctrine, the whole business of Legislation may be as well submitted to him, so that in fact the House would not be the Representatives of their constituents, but of the Secretary; he further said, that as there appeared to be some weight in the objection to introducing his amendment in this clause, he would withdraw it for the present.

A motion was then made by Mr. LIVERMORE, to introduce a clause for allowing the sum of one hundred and ninety-two dollars to Gifford Dalley, for his services ninety-six days, during the recess of Congress, which was agreed to.

Mr. JACKSON then observed, that this appeared to be the proper time to bring forward his motion; he therefore moved "that the sum of

—be allowed for removing the wrecks and obstructions in Savannah river, from that city to the sea."

Mr. BLAND objected to the motion, as involving a principle pregnant with innumerable difficulties; for no man can tell to what extent it can be carried. Should this be granted, every member in this House will come forward with proposals for clearing rivers, and opening canals to the sources of rivers.

Mr. JACKSON observed, that the principle is already established in the bill, by the provision made for Delaware river. He said, that the revenue of the United States is to be derived from navigation and commerce; excepting the obstructions in our rivers and harbors are removed, commerce will be embarrassed, and our revenue will be lessened and destroyed, and in this view the measure appears to be founded in reason, policy, and justice, and not to do it will be impolitic and unjust.

The question being put, was negatived.

The Committee then rose and reported the bill, with amendments, which being agreed to by the House, the bill was ordered to be engrossed for a third reading.

TUESDAY, March 16.

The engrossed bill making appropriations for the support of Government for the year 1790, was read the third time and passed.

A message was received from the President, with a letter and representation from the Supreme Executive Council of Pennsylvania, on the subject of Indian hostilities, committed in the county of Washington, in that State.—Ordered to lie on the table.

A petition from the importers of hemp and the manufacturers of cordage of New York, was read, praying that the duty on hemp imported prior to December, 1790, may be taken off, and a prohibition laid on the importation of foreign cordage.—Referred.

A message from the President communicated an act of the State of Pennsylvania, ratifying all the proposed amendments to the Constitution of the United States, except the first and second.—Ordered to lie on the table.

#### ON SLAVERY.

The House resolved itself into a Committee of the whole on the report of the committee to whom was referred the memorials of the people called Quakers, and of the Pennsylvania Society for promoting the abolition of slavery. Mr. BENSON in the chair.

Mr. TUCKER, after premising several observations on the injustice and unconstitutionality of the interference of the Legislature in the business, proposed an amendment which should negative the whole report.

Mr. JACKSON spoke largely on the subject, and in opposition to the report.

Mr. VINING replied to Mr. JACKSON.

A question then rose on the subject of order. The Chairman gave his opinion that the amend-

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ment offered by Mr. TUCKER was not in order. This question was discussed with considerable ardor on both sides. The question being put, the committee determined that the amendment was not in order.

Mr. TUCKER then proposed to add the amendment immediately after the preamble of the report, after the word "opinion." The question of order was still agitated on this variation, and the Committee rose without a decision, and had leave to sit again.

WEDNESDAY, March 17.

## ON SLAVERY.

The House again resolved itself into Committee of the whole on the Report of the Committee, to whom was referred the memorial of the people called Quakers, &c. Mr. BENSON in the chair.

The question of order was put, when it was determined that Mr. TUCKER's last amendment was not in order.

The report was then taken up by paragraphs. The first proposition being read,

Mr. WHITE moved that it be struck out. He did this, he said, because he was against entering into a consideration at this time of the powers of Congress. He thought it would be time enough for this when the powers are called in question. He then read the next, which he said was entirely unnecessary as it contains nothing more than what is contained in express terms in the Constitution. He passed on to the third, which he said was equally unnecessary; and so the fourth, which was provided for by the Constitution. He said, that he should agree to the fifth and sixth, with certain modifications. Agreeable to this idea, he offered those two in a different form. He disagreed to the seventh proposition, as unnecessary and improper. He concluded by observing, that his wish was to promote the happiness of all mankind—and among the rest those who are the objects of the present consideration—but this he wished to do in conformity to the principles of justice and with a due regard to the peace and happiness of others; he would contribute all in his power to their comfort and well-being while in a state of slavery; but he was fully of opinion that Congress has no right to interfere in the business, any further than he proposed by the two propositions as modified. He did not, however, anticipate the difficulties from a total prohibition which some gentlemen seem to apprehend—and if Congress had it in their power to interdict this business at the present moment, he did not think the essential interests of the Southern States would suffer. Twenty years ago, he supposed the idea he now suggested would have caused universal alarm. Virginia, however, about twelve years since, prohibited the importation of negroes from Africa, and the consequences apprehended never were realized; on the contrary, the agriculture of that State was never in a more flourishing situation.

Mr. HARTLEY.—I have the honor to be one of the committee on the memorials, and will, with the leave of this committee, mention some particulars which took place in the course of the investigation of the business. He premised that he was sorry that the question of right had been brought forward yesterday—and was not a little surprised to hear the cause of slavery advocated in that House, and language held towards the petitioners, which his experience had never shown to be Parliamentary—he read some memorandums taken in committee, and had particular reference to a law passed in Grenada, which he applauded for its humanity, and truly benevolent spirit. He reprobated the illiberal treatment which the memorialists had received, and asserted that they were friends to the Constitution, and that on the present occasion they came forward from the most laudable motives, from a wish to promote the happiness of mankind, that their conduct so far from meriting censure, deserved, and would receive, the applause of the civilized world.

Mr. BROWN, in a considerable speech, advocated the motion of Mr. WHITE. He enlarged on the pernicious consequences that may be expected to flow from the interference of Congress; he pointed out the effects which had resulted from the interposition of the Quakers, by which the prospects of the Southern States in slaves had been rendered very precarious—and if Congress should adopt the report as it stands, the consequences would be pernicious in the highest degree. The negro property will be annihilated. The emancipation of slaves will be effected in time, it ought to be a gradual business; but he hoped that Congress would not, to gratify people who never had been friendly to the independence of America, precipitate the business to the great injury of the Southern States.

Mr. BURKE entered into a very extensive consideration of the subject. He gave an account of the humane treatment which the slaves of the Southern States received, their habitations, families, children, privileges, &c. He then showed that their emancipation would tend to make them wretched in the highest degree. He animadverted with great freedom on the past and present conduct of the Quakers. He denied that they were the friends of freedom; he said, that during the late war, they were for bringing this country under a foreign yoke; they descended to the character of spies; they supplied the enemy with provisions; they were guides and conductors to their armies; and whenever the American army came into their neighborhood they found themselves in an enemy's country. Mr. BURKE was proceeding in this strain, when he was interrupted by being called to order. A warm altercation ensued, and in the midst of it, a motion was made that the committee rise. This motion was negatived, and Mr. BURKE added a few more observations on the injustice of the measure of interference, as it respected the property of the Southern States.

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Mr. SMITH (of S. C.) said he lamented much that this subject had been brought before the House; that he had deprecated it from the beginning, because he foresaw that it would produce a very unpleasant discussion; that it was a subject of a nature to excite the alarms of the Southern members, who could not view, without anxiety, any interference in it on the part of Congress. He remarked, that as they were resolved into a Committee of the whole on the powers of Congress respecting slavery and the slave trade, in consequence of certain memorials from the people called Quakers and the Pennsylvania Society for the abolition of slavery, the whole subject, as well as the contents of these memorials, was under consideration. He should therefore enter into the business at large, and offer some comments on the contents of the memorials.

The memorials from the Quakers contained, in his opinion, a very indecent attack on the character of those States which possess slaves. It reprobates slavery as bringing down reproach on the Southern States, and expatiated on the detestation due to the licentious wickedness of the African trade, and the inhuman tyranny and blood guiltiness inseparable from it. He could not but consider it as calculated to fix a stigma of the blackest nature on the State he had the honor to represent, and to hold its citizens up to public view as men divested of every principle of honor and humanity. Considering it in that light, he felt it incumbent on him not only to refute those atrocious calumnies, but to resent the improper language made use of by the memorialists. Before he entered into the discussion, he begged to observe, that when any class of men deviated from their own religious principles, and officiously came forward in a business with which they had no concern, and attempted to dictate to Congress, he could not ascribe their conduct to any other cause but to an intolerant spirit of persecution. This application came with the worst grace possible from the Quakers, who professed never to intermeddle in politics, but to submit quietly to the laws of the country.

He had met with a publication which came out in the year 1775, (at a period when the affairs of America were in a very desponding situation,) entitled "The ancient Testimony and Principles of the Quakers." It set forth that their religious principles restrained them from having any hand or connivance in setting up and putting down Kings and Governments; that this was God's peculiar prerogative for causes best known to himself; that it was not their business to be busy-bodies above their stations, but only to pray for the King and safety of their nation, that they might live a quiet and peaceable life, under the Government which God was pleased to set over them. If these were really their sentiments, why did not they abide by them? Why did not they leave that, which they call God's work, to be managed by himself? Those principles should instruct them

to wait with patience and humility for the event of all public measures, and to receive that event as the Divine Will. Their conduct on this occasion proved that they did not believe what they professed, or that they had not virtue enough to practise what they believed. Did they mean to rob the Almighty of what they call his prerogative? And were they not partial ministers of their own acknowledged principles? It was difficult to credit their pretended scruples; because, while they were exclaiming against the Mammon of this world, they were hunting after it with a step steady as time, and an appetite keen as the grave.

The memorial from the Pennsylvania Society applied, in express terms, for an emancipation of slaves, and the report of the committee appeared to hold out the idea that Congress might exercise the power of emancipating after the year 1808; for it said that Congress could not emancipate slaves prior to that period. He remarked, that either the power of manumission still remained with the several States, or it was exclusively vested in Congress; for no one would contend that such a power would be concurrent in the several States and the United States. He then showed that the State Governments clearly retained all the rights of sovereignty which they had before the establishment of the Constitution, unless they were exclusively delegated to the United States; and this could only exist where the Constitution granted, in express terms, an exclusive authority to the Union, or where it granted in one instance an authority to the Union, and in another prohibited the States from exercising the like authority, or where it granted an authority to the Union, to which a similar authority in the States would be repugnant.

He applied these principles to the case in question; and asked, whether the Constitution had, in express terms, vested the Congress with the power of manumission? Or whether it restrained the States from exercising that power? Or whether there was any authority given to the Union, with which the exercise of this right by any State would be inconsistent? If these questions were answered in the negative, it followed that Congress had not an exclusive right to the power of manumission. Had it a concurrent right with the States? No gentleman would assert it, because the absurdity was obvious. For a State regulation on the subject might differ from a Federal regulation; in which case one or the other must give way. As the laws of the United States were paramount to those of the individual States, the Federal regulations would abrogate those of the States, consequently the States would thus be divested of a power which it was evident they now had, and might exercise whenever they thought proper. But admitting that Congress had authority to manumit the slaves in America, and were disposed to exercise it, would the Southern States acquiesce in such a measure without a struggle? Would the citizens

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of that country tamely suffer their property to be torn from them? Would even the citizens of the other States, which did not possess this property, desire to have all the slaves let loose upon them? Would not such a step be injurious even to the slaves themselves? It was well known that they were an indolent people, improvident, averse to labor: when emancipated, they would either starve or plunder. Nothing was a stronger proof of the absurdity of emancipation than the fanciful schemes which the friends to the measure had suggested, one was to ship them out of the country, and colonize them in some foreign region. This plan admitted that it would be dangerous to retain them within the United States after they were manumitted: but surely it would be inconsistent with humanity to banish these people to a remote country, and to expel them from their native soil, and from places to which they had a local attachment. It would be no less repugnant to the principles of freedom, not to allow them to remain here, if they desired it. How could they be called freemen, if they were, against their consent, to be expelled the country? Thus did the advocates for emancipation acknowledge that the blacks, when liberated, ought not to remain here to stain the blood of the whites by a mixture of the races.

Another plan was to liberate all those who should be born after a certain limited period. Such a scheme would produce this very extraordinary phenomenon, that the mother would be a slave and her child would be free. These young emancipated negroes, by associating with their enslaved parents, would participate in all the debasement which slavery is said to occasion. But allowing that a practicable scheme of general emancipation could be devised, there can be no doubt that the two races would still remain distinct. It is known, from experience, that the whites had such an idea of their superiority over the blacks, that they never even associated with them; even the warmest friends to the blacks kept them at a distance, and rejected all intercourse with them. Could any instance be quoted of their intermarrying; the Quakers asserted that nature had made all men equal, and that the difference of color should not place negroes on a worse footing in society than the whites; but had any of them ever married a negro, or would any of them suffer their children to mix their blood with that of a black? They would view with abhorrence such an alliance.

Mr. S. then read some extracts from Mr. Jefferson's Notes on Virginia, proving that negroes were by nature an inferior race of beings; and that the whites would always feel a repugnance at mixing their blood with that of the blacks. Thus, he proceeded, that respectable author, who was desirous of countenancing emancipation, was, on a consideration of the subject, induced candidly to avow that the difficulties appeared insurmountable. The friends to manumission had said, that by prohibiting the further

importation of slaves, and by liberating those born after a certain period, a gradual emancipation might take place, and that in process of time the very color would be extinct, and there would be none but whites. He was at a loss to learn how that consequence would result. If the blacks did not intermarry with the whites, they would remain black to the end of time; for it was not contended that liberating them would whitewash them; if they would intermarry with the whites, then the white race would be extinct, and the American people would be all of the mulatto breed. In whatever light, therefore, the subject was viewed, the folly of emancipation was manifest. He trusted these considerations would prevent any further application to Congress on this point, and would so far have weight with the committee as to reject the clause altogether, or at least to declare, in plain terms, that Congress has no right whatever to manumit the slaves of this country.

Various objections, said he, had at different times been alleged against the abominable practice, as it had been called, of one man exercising dominion over another; but slavery was no new thing in the world. The Romans, the Greeks, and other nations of antiquity, held slaves at the time Christianity first dawned on society, and the professors of its mild doctrines never preached against it. [Here Mr. S. read a quotation from the Roman and Grecian History, and from some accounts of the Government and manners of the people of Africa, before they had any knowledge of the African traders, from which it appeared that slavery was not disapproved of by the Apostles when they went about diffusing the principles of Christianity; and that it was not owing to the African trade, as had been alleged, that the people of Africa made war on each other.]

Another objection against slavery was, that the number of slaves in the Southern States weakened that part of the Union, and in case of invasion would require a greater force to protect it. Negroes, it was said, would not fight; but he would ask whether it was owing to their being black or to their being slaves; if to their being black, then unquestionably emancipating them would not remedy the evil, for they would still remain black; if it was owing to their being slaves, he denied the position; for it was an undeniable truth, that in many countries slaves made excellent soldiers. In Russia, Hungary, Poland, peasants were slaves, and yet were brave troops. In Scotland, not many years ago, the Highland peasants were absolute slaves to their lairds, and they were renowned for their bravery. The Turks were as much enslaved as the negroes—their property and lives were at the absolute disposal of the Sultan, yet they fought with undaunted courage. Many other instances might be quoted, but those would suffice to refute the fact. Had experience proved that the negroes would not make good soldiers? He did not assert that they would, but they had never been tried; discipline was every thing;

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white militia made but indifferent soldiers before they were disciplined. It was well known that according to the present art of war, a soldier was a mere machine, and he did not see why a black machine was not as good as a white one; in one respect the black troops would have the advantage in appearing more horrible in the eyes of the enemy. But admitting that they would not fight, to what would the argument lead? Undoubtedly to show that the Quakers, Moravians, and all the non-resisting and non-fighting sects, constitute the weakness of the country. Did they contribute to strengthen the country against invasion by staying at home and joining the invader as soon as he was successful? But they furnished money, he should be told, and paid substitutes; and did not the slaves, by increasing the agriculture of the country, add to its wealth, and thereby increase its strength? Did they not moreover perform many laborious services in the camp and in the field, assist in transporting baggage, conveying artillery, throwing up fortifications, and thus increase the numbers in the ranks by supplying their places in these services? Nor was it necessary that every part of the empire should furnish fighting men; one part supplied men, another money; one part was strong in population, another in valuable exports, which added to the opulence of the whole. Great Britain obtained no soldiers from her East and West India settlements, were they therefore useless? She was obliged to send troops to protect them, but their valuable trade furnished her with means of paying those troops.

Another objection was, that the public opinion was against slavery. How did that appear? Were there any petitions on the subject excepting that from the Pennsylvania Society and a few Quakers?—And were they to judge for the whole Continent? Were the citizens of the Northern and Eastern States to dictate to Congress on a measure in which the Southern States were so deeply interested? There were no petitions against slavery from the Southern States, and they were the only proper judges of what was for their interest. The toleration of slavery in the several States was a matter of internal regulation and policy, in which each State had a right to do as she pleased, and no other State had any right to intermeddle with her policy or laws. If the citizens of the Northern States were displeased with the toleration of slavery in the Southern States, the latter were equally disgusted with some things tolerated in the former. He had mentioned on a former occasion the dangerous tenets and pernicious practices of the sect of Shaking Quakers, who preached against matrimony, and whose doctrine and example, if they prevailed, would either depopulate the United States, or people it with a spurious race. However the people of South Carolina reprobated the gross and immoral conduct of these Shakers, they had not petitioned Congress to expel them from the Continent, though they thought such a measure would be service-

able to the United States. The Legislature of South Carolina had prohibited theatrical representations, deeming them improper; but they did not trouble Congress with an application to abolish them in New York and Philadelphia.—The Southern citizens might also consider the toleration of Quakers as an injury to the community, because in time of war they would not defend their country from the enemy, and in time of peace they were interfering in the concerns of others, and doing every thing in their power to excite the slaves in the Southern States to insurrection; notwithstanding which, the people of those States had not required the assistance of Congress to exterminate the Quakers.

But he could not help observing, that this squeamishness was very extraordinary at this time. The Northern States knew that the Southern States had slaves before they confederated with them. If they had such an abhorrence for slavery, why, said Mr. S., did they not cast us off and reject our alliance? The truth was, that the best informed part of the citizens of the Northern States knew that slavery was so ingrafted into the policy of the Southern States, that it could not be eradicated without tearing up by the roots their happiness, tranquillity, and prosperity; that if it were an evil, it was one for which there was no remedy, and, therefore, like wise men, they acquiesced in it. We, on the other hand, knew that the Quaker doctrines had taken such deep root in some of the States, that all resistance to them must be useless: we therefore made a compromise on both sides, we took each other with our mutual bad habits and respective evils, for better for worse, the Northern States adopted us with our slaves, and we adopted them with their Quakers. There was then an implied compact between the Northern and Southern people, that no step should be taken to injure the property of the latter, or to disturb their tranquillity. It was therefore with great pain he had viewed the anxiety of some of the members to pay such uncommon respect to the memorialists, as even to set aside the common rules of proceeding, and attempt to commit the memorials the very day they were presented, though the Southern members had solicited one day's delay. Such proceedings had justly raised an alarm in the minds of himself and his Southern colleagues; and feeling that alarm, they would have acted a dishonorable part to their constituents had they not expressed themselves with that warmth and solicitude which some gentlemen had disapproved.

A proper consideration of this business must convince every candid mind, that emancipation would be attended with one or other of these consequences; either that a mixture of the races would degenerate the whites, without improving the blacks, or that it would create two separate classes of people in the community involved in inveterate hostility, which would terminate in the massacre and extirpation of one or the other, as the Moors were expelled



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from Spain and the Danes from England. The negroes would not be benefited by it; free negroes never improve in talents, never grow rich, and continue to associate with the people of their own color. This is owing either to the natural aversion the whites entertain towards them, and an opinion of the superiority of their race, or to the natural attachment the blacks have to those of their own color; in either case it proves, that they will, after manumission, continue a distinct people, and have separate interests. The author already quoted has proved that they are an inferior race even to the Indians.

After the last war, a number of negroes which had been stolen from the Southern States, and carried to England, either quitted the persons who had carried them there, or were abandoned by them. Unable to provide for themselves, and rejected from the society of the common people of England, they were begging about the streets of London in great numbers; they supplicated captains of vessels to carry them back to their owners in America, preferring slavery there to freedom in England. Many of them were shipped to Africa by the humanity of the English, and were either butchered or made slaves of by their savage countrymen, or reshipped for sale to the plantations.

But some persons have been of opinion, that if the further importation of slaves could be prohibited, there would be a gradual extinction of the species. Having shown the absurdity of liberating the *postnati* without extending it to all the slaves old and young, and the great absurdity and even impracticability of extending it to all, I shall say a few words with regard to the extinction. That would be impossible, because they increase; to occasion an extinction, Congress must prohibit all intercourse between the sexes; this would be an act of humanity they would not thank us for, nor would they be persuaded that it was for their own good, or Congress must, like Herod, order all the children to be put to death as soon as born. If, then, nothing but evil would result from emancipation, under the existing circumstances of the country, why should Congress stir at all in the business, or give any countenance to such dangerous applications? We have been told that the Government ought to manifest a disposition inimical to this practice which the people reprobate. If some citizens, from misinformation and ignorance, have imbibed prejudices against the Southern States, if ill-intentioned authors have related false facts, and gross misrepresentations tending to traduce the character of a whole State, and to mislead the citizens of other States, is that a sufficient reason why a large territory is to be depopulated, merely to gratify the wish of some misinformed individuals? But what have the citizens of the other States to do with our slaves? Have they any right to interfere with our internal policy?

This is not an object of general concern, for I have already proved that it does not weaken

the Union; but admit that it did, will the abolition of slavery strengthen South Carolina? It can only be cultivated by slaves; the climate, the nature of the soil, ancient habits, forbid the whites from performing the labor. Experience convinces us of the truth of this. Great Britain made every attempt to settle Georgia by whites alone and failed, and was compelled at length to introduce slaves; after which, that State increased very rapidly in opulence and importance. If the slaves are emancipated, they will not remain in that country—remove the cultivators of the soil, and the whole of the low country, all the fertile rice and indigo swamps will be deserted, and become a wilderness. What, then, becomes of its strength? Will such a scheme increase it? Instead of increasing the population of the whites, there will be no whites at all. If the low country is deserted, where will be the commerce, the valuable exports of that country, the large revenue raised from its imports and from the consumption of the rich planters? In a short time, the Northern and Eastern States will supply us with their manufactures; if you depopulate the rich low country of South Carolina and Georgia, you will give us a blow which will immediately recoil on yourselves. Suppose that one hundred and forty thousand slaves in those States, which require annually five yards of cloth each, making seven hundred thousand yards at half a dollar a yard, this makes three hundred and fifty thousand dollars, besides the articles of linen, flannel, Osnaburgh, blankets, molasses, sugar, and rum, for the use of the negroes; now, either the Eastern and Middle States will supply us with all these articles, or they will receive the benefit of the impost on them if they were imported from foreign countries. Without the rice swamps of Carolina, Charleston would decay, so would the commerce of that city: this would injure the back country. If you injure the Southern States, the injury would reach our Northern and Eastern brethren; for the States are links of one chain: if we break one, the whole must fall to pieces. Thus it is manifest, that in proportion to the increase of our agriculture will our wealth be increased; the increase of which will augment that of our sister States, which will either supply us with their commodities, or raise a large revenue upon us, or be the carriers of our produce to foreign markets.

It has been said, that the toleration of slavery brings down reproach on America. It only brings reproach on those who tolerate it, and we are ready to bear our share. We know that none but prejudiced and uncandid persons, who have hastily considered the subject and are ignorant of the real situation of the Southern States, throw out these insinuations. We found slavery ingrafted in the very policy of the country when we were born, and we are persuaded of the impolicy of removing it; if it be a moral evil, it is like many others which exist in all civilized countries, and which the world quietly submit to. Humanity has been a topic of de-

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clamation on this subject: that sentiment has different operations on different individuals, and he had it in his power to show, that humanity first gave origin to the transportation of slaves from Africa into America. *Bartholemew de las Casas*, Bishop of Chiapa, a Spaniard renowned for his humanity and virtues, in order to save the Indians in South America from slavery, prevailed on his Monarch to substitute Africans, which were accordingly purchased on the coast of Africa, and shipped to the Spanish Colonies to work in the mines: this appears in *Robertson's History of America*, which Mr. S. quoted. At this day the Spaniards give considerable encouragement to the transportation of slaves into their islands. Mr. S. read the edict for that purpose.

Another objection is, that slavery vitiates and debases the mind of the owner of this sort of property. Where, he asked, is the proof of this allegation? Do the citizens of the Southern States exhibit more ferociousness in their manners, more barbarity in their dispositions, than those of the other States? Are crimes more frequently committed there? A proof of the absurdity of this charge may be found in the writings of those who wish to disseminate this mischievous idea, and yet, in their relations of facts, they themselves contradict it. They lay down general principles, which they take upon credit from others, or which they publish with sinister views, and when they enter into a detail of the history of those States, they overset their own doctrines. Thus, one writer tells us, that the Southern citizen who is educated in principles of superiority to the slaves which surround him, has no idea of government, obedience, and good order, till he mingles with the hardy and free spirited yeomanry of the North, and that after mixing with them, he will return home with his mind more enlarged, his views more liberalized, and his affections rectified, and becomes a more generous friend to the rights of human nature. But hear what the Eastern traveller is to learn by visiting the enslaved regions of the South. He will see, says the same writer immediately after, industry crowned with affluence, independence, hospitality, liberality of manners; and notwithstanding the prevalence of domestic slavery, he will find the noblest sentiments of freedom and independence to predominate; he will extol their enterprise, art, and ingenuity, and will reflect that nature is wise, and that Providence in the distribution of its favors is not capricious. Take another striking instance of this contradiction from *Morse's Geography*. He says, that there are more slaves than free persons in South Carolina, and mentions the mischievous influence of slavery on their manners, which, he observes, by exempting them from the necessity of labor, leads to luxury, dissipation, and extravagance, and savors too much of a haughty, supercilious behavior; that the inhabitants want that enterprise and perseverance which are necessary for the attainment of the Arts and

Sciences; that they have few motives to enterprise, and too generally rest contented with barely knowledge enough to transact the common affairs of life. Now, for the author's proofs: they are contained in these words:

"Many of the inhabitants spare no pains nor expense in giving the highest polish of education to their children: literature has begun to flourish since the peace; several flourishing academies and colleges have been established; the ladies have an engaging softness and delicacy in their manners; theatrical exhibitions have been prohibited by law; gaming of all kinds is more discountenanced than in any of the Southern States; all denominations of religion are on an equal footing; commerce is flourishing; economy is becoming more fashionable, and science begins to spread her salutary influence among the citizens." But was South Carolina, at the commencement of the war, with all her slaves, backward in her resistance to Great Britain? View the conduct of her citizens, their zeal and ardor in the cause of liberty; their labor at Fort Sullivan. Are crimes more frequent in that country than in the other States? Are there more executions? I believe there have been as few as in any part of the Continent, and those which have taken place have been generally of emigrant convicts or fugitive wheel barrow-men; he would be bold to assert that in no State on the Continent is there more order, sobriety, and obedience to good government; more industry and frugality; nor is there any trace of the influence of slavery on the character of her citizens.

The French, so far from curbing and cramping the African trade with needless regulations, give large premiums upon every negro landed on their islands; in some instances as much as two hundred livres per head. Is that nation more debased than others? Are they not a polished people, sensible of the rights of mankind, and actuated by proper sentiments of humanity? The Spaniards encourage slavery; they are people of the nicest honor, proverbially so. The Romans and Greeks had slaves, and are not their glorious achievements held up as excitements to great and magnanimous actions? Sparta teemed with slaves at the time of her greatest fame as a valiant Republic. The absolute power of the Lacedemonians over the Helotes is frequently spoken of by the ancient writers; they were not only the slaves of the Commonwealth, but of every individual, they could not be set at liberty, neither could they be sold; hence arose a saying, that a free man at Sparta was most a free man, and a slave most a slave.

The system of the Roman policy with regard to slavery was still more severe. Slaves were not even under the protection of the laws; they were considered as things, *inter res*. A master, merely from caprice, might torture, dismember, and even murder his slave. If a slave did any damage exceeding his value, he was delivered to the person injured, who did with

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him what he pleased. Yet these slaves were of the same color as their masters, and equal to them in mental faculties; many of them were men of great learning, philosophers, poets, &c. Much had been said of the cruel treatment of slaves in the West Indies and the Southern States; with respect to the latter, he denied the fact from experience, and accurate information, and believed in his conscience that the slaves in South Carolina were a happier people than the lower order of whites in many countries he had visited. With regard to the West Indies, *Lord Rodney* and *Admiral Barrington* had both declared, that they had spent some time in the West Indies, and that they had never heard of a negro being cruelly treated; that they had often spoken of their happiness in high terms, declaring that they should rejoice exceedingly if the English day-laborer was half as happy. Some have said, that slavery is unnecessary: so far from it, that several essential manufactures depended on it. Indigo, cochineal, and various other dying materials, which are the produce of the West Indies, could only be raised by slaves: the great staple commodities of the South would be annihilated without the labor of slaves. It is well known, that when the African slaves were brought to the coast for sale, it was customary to put to death all those who were not sold; the abolition of the slave trade would therefore cause the massacre of the people.

The cruel mode of transportation was another motive to this abolition; but it was to be presumed, that the merchants would so far attend to their own interests as to preserve the lives and the health of the slaves on the passage. All voyages must be attended with inconveniences, and those from Africa to America not more than others. As to their confinement on board, it was no more than was necessary; as to the smallness of space allotted them, it was more than was allotted to soldiers in a camp; for the measurement of cubical air breathed by the Africans, compared with that of soldiers in a camp, was in favor of the former as thirty to seventeen; it was full as much as was allotted in ships of war to seamen, who, by the laws of England, were frequently, on their return to their families, after a long and dangerous voyage, seized by violence, hurried away by a press-gang, and forced on another voyage more tedious and perilous than the first, to a hot and sickly climate, where several hundreds of them were stowed away in the hold of a vessel. In cases of disobedience, the Captain had a right, for slight offences, to inflict on them corporal punishment without the intervention of a court-martial, and in other cases they are punishable by very severe laws, executed by martial courts, established for that purpose. The same may be observed of the soldiers, who were frequently flogged severely for trifling offences; instances have been known of their being put under the care of a surgeon, after receiving a small part of the intended flagellation, to refit them for the residue.

Having thus removed the force of the observations which have been advanced against the toleration of slavery, by a misguided and misinformed humanity, I shall only add, that I disapprove of the whole of the report; because it either states some power sufficiently expressed in the Constitution which is unnecessary, or it sets forth some power which I am clear Congress do not possess. The concluding paragraph is an extraordinary one. In what mode are the memorialists to be informed of our humane dispositions? Are we to send a special committee to inform them? Or is the Speaker to write them a letter, or the Sergeant-at-Arms with the mace to wait on them? In short, Mr. CHAIRMAN, the whole of this business has been wrong from beginning to end, and as one false step generally leads to others, so has the hasty commitment of these memorials involved us in all this confusion and embarrassment. I hope, therefore, if any kind of report is agreed to, it will be something like that proposed by my colleague.

The committee rose, and reported progress.

THURSDAY, March 18.

ON SLAVERY.

The House again resolved itself into a Committee of the whole on the Report of the Committee on the Quakers' memorial, &c. Mr. BENSON in the chair.

The subject underwent some further discussion; and the committee rose, without closing it, and obtained leave to sit again.

FRIDAY, March 19.

HUGH WILLIAMSON, a member from North Carolina, appeared and took his seat.

The SPEAKER laid before the House a report from the Secretary of the Treasury on the memorial of the late officers of the South Carolina line, which was read, and ordered to lie on the table.

A message from the Senate informed the House that they have passed the bill to provide for the remission or mitigation of fines, forfeitures, and penalties in certain cases, with an amendment; also the bill to establish an uniform rule of naturalization, with an amendment, to which they desire the concurrence of the House.

On motion of Mr. SHERMAN, the report of the committee on the memorial of Robert Morris, Esq. was read the second time—the report respecting the settlement of his accounts only.

Mr. SHERMAN moved that a committee of five members be appointed, to inquire into the receipts and expenditures of public monies during the administration of Robert Morris, Esq., late superintendent of finance, and to report to the House a state of the accounts respecting the same. This motion, after some debate, was agreed to; and Mr. SHERMAN, Mr. MADISON, Mr. LAWRENCE, Mr. SEDGWICK, and Mr. SMITH (of South Carolina) were appointed

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Mr. GERRY observed, that somehow or other the House is continually recurring to the modes of procedure adopted by the late Congress, who were both a Legislative and Executive body; the present Government is organized on quite different principles. The President of the United States is the only competent authority to take cognizance of the conduct of officers in the Executive Department; if we pursue the proposed plan of appointing committees, we destroy the responsibility of Executive officers, and divest the House of a great and essential privilege, that of impeaching our Executive officers for maladministration. He concluded by saying, he was in favor of the report of the Senate for appointing commissioners, as placing the business in a more Parliamentary and constitutional direction.

Mr. GERRY was replied to by Mr. HARTLEY and Mr. FITZSIMONS, who contended, that the motion was strictly Parliamentary, as it was certainly just, that an investigation, on the part of the House, of the conduct of public officers ought to precede all crimination of their conduct. This inquiry Mr. Morris has applied for, and on every principle of equity he ought to have a fair and full hearing, that if his conduct has been such as to merit approbation, he may no longer lie under any disadvantageous or injurious imputation.

Mr. JACKSON called for a reading of the memorial, which being read—He objected to the appointment of a committee; he thought it unnecessary; it would establish a precedent which would involve a great variety of difficulties. He had no doubt of the honor and rectitude of conduct in the memorialist; he was ready to acknowledge that he had rendered the country great and meritorious services, and that this was the opinion of the people in general through the United States. He was for accepting the report of the committee, and thus finish the business.

Mr. VINING was in favor of the motion, and observed, that the report (it appears) does not come up to the ideas of the memorialist; he wishes to give particular satisfaction to the members of this House; he wishes the sanction of this House to the merit of his services, should they, on investigation, appear to deserve such a sanction; justice is all he asks for, and surely gentlemen will not deny that.

Mr. FITZSIMONS followed Mr. VINING, in a similar train of observations.

Mr. BLAND was opposed to the motion. He thought the report was a full justification of the conduct of Mr. Morris; he was opposed to appointing commissioners, as creating an unnecessary expense.

Mr. MADISON was in favor of the motion. He offered a variety of observations on the subject, and in support of the idea, that the House should possess itself of the fullest information in order to doing justice to the country and to public officers.

Mr. GERRY defended his first opinion, that

the several branches of Government should be kept separate. He was only solicitous, he said, that the House should not establish a precedent which would mix the several parts of the Government. The memorialist requests the appointment of commissioners; and what is the objection? Nothing more than the expense, which in a matter of justice ought not to be considered.

Mr. STONE observed, on the idea of expense, that if the business is easy to be settled, commissioners will not be wanted for a long time; if the business is intricate and difficult, a committee will be very improper; he was, therefore, in favor of commissioners.

Mr. SHERMAN said, that for himself, he was perfectly satisfied respecting the accounts of Mr. Morris; they are certified by as good and honest men as can possibly be appointed—men entirely uninfluenced and uncontrolled by any person whatever; but still he thought, to give full satisfaction to the memorialist, and to wipe off any aspersions which may have been cast on him, he was in favor of a committee.

#### SUBJECT OF SLAVERY.

The House then went again into a committee on the Quakers' memorial, &c. Mr. BENSON in the chair.

The fourth proposition respecting a duty of ten dollars on slaves imported, being read, it was moved that it be struck out, which motion, after much debate, was adopted.

Several modifications of the fifth proposition were offered, but the following, in substance, offered by Mr. MADISON, was agreed to, viz:—Congress have authority to restrain the citizens of the United States who are concerned in the African trade, from supplying foreigners with slaves, and to provide for their humane treatment, while on their passage to the United States.

The committee then rose, and the House adjourned till Monday next.

#### MONDAY, March 22.

The amendments proposed by the Senate to the bill for establishing an uniform rule of naturalization, and to the bill to provide for the mitigation or remission of fines, forfeitures, and penalties in certain cases, were taken into consideration. To the first bill the amendment proposed was agreed to by the House. The amendment to the other, it was said, involved an alteration of the principle on which the bill was founded; other objections were made, and, on motion, it was voted that the amendment should lie on the table.

#### SUBJECT OF SLAVERY.

The House again went into a Committee of the whole on the Quakers' memorial, &c. Mr. BENSON in the chair.

The sixth article was further discussed.

Mr. SCOTT commenced the debate, advocat-

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ing the prayer of the memorialists, and was replied to by several of the southern members.

Mr. BODINOT said, although he most heartily approved of many of the arguments and doctrines of his friend from Pennsylvania, yet he could not go all lengths with him. He thought with him, that our time had been taken up, and great labor had been used in arguments that nowise related to the merits of the question before the committee, but he could not agree that the clause in the Constitution relating to the want of power in Congress, "to prohibit the importation of such persons, as any of the States now existing shall think proper to admit, prior to the year 1808, and authorizing a tax or duty on such importation, not exceeding ten dollars for each person," did not extend to negro slaves. Candor required that he should acknowledge, that this was the express design of the Constitution, and, therefore, Congress could not interfere in prohibiting the importation, or promoting the emancipation of them prior to that period. He said he was well informed that the tax or duty of ten dollars was provided instead of the five per cent. ad valorem, and was so expressly understood by all parties in the Convention. That therefore it was the interest and duty of Congress to impose this tax, or it would not be doing justice to the States, or equalizing the duties throughout the Union. If this was not done, merchants might bring their whole capitals into this branch of trade, and save paying any duties whatever. Mr. B. had hoped, that the great lengths to which the gentleman from Pennsylvania had carried the argument, would have convinced gentlemen in the opposition of the propriety, if not the necessity of the resolutions on the table. Is it not prudent now, while the design of the framers of the constitution is well known, and while the best information can be obtained, for Congress to declare their sense of it, on points which the gentlemen say, involve their great and essential interests, especially when the gentleman from Pennsylvania gives so different a construction to it, from what the gentlemen from the Southward think right? Is it not advantageous to the southern States to have an explicit declaration calming their fears, and preventing unnecessary jealousies on this subject? Can there be any foundation for alarm, when Congress expressly declare, that they have no power of interference prior to the year 1808? But gentlemen say that they have been charged with impropriety of conduct, in discovering so much warmth and earnestness, on a subject with which their dearest interests are so intimately connected—that all men are led by interest, and they are justified in pursuing the same line of conduct.

Mr. B. declared, for his own part, he never blamed them for standing forth for what they conceived the true interests of their constituents; but it was the manner in which this had been done, that he complained of. On resolutions declaring that Congress had not power to prohibit the importation of slaves into any State,

or interfering in their emancipation or internal government, long arguments had been used, and much precious time had been spent, to prove the lawfulness of the African trade in slaves. This, indeed, was an arduous task, in this day of light and knowledge; an author, said to be of reputation, was brought forward to prove the state of that unhappy country, but it turned out to be in the fifteenth century; this could be of little avail: an hour was taken up in reading the labors of a newspaper writer in the island of Jamaica. This writer appeared wholly uninformed as to historic facts relating to the miserable Africans, and as ignorant of the principal arguments against the slave trade. It was necessary for him to deny the authority of *Anthony Benezet*, who had published some pointed facts on this subject. *Mr. Benezet* was a man of the strictest integrity, and of the best information—a man that was an honor to his country, and an ornament to society. Mr. B. had been well acquainted with him, and spoke from personal knowledge; he had examined into the facts from captains of Guineamen, and a person who had lived twelve years in that country, and he could say, with confidence, that *Mr. Benezet's* account had been generally confirmed. Not only the practice of ancient nations, and that of all modern Europe had been brought into view, but even the sacred Scriptures had been quoted, to justify this iniquitous traffic. It is true, that the Egyptians held the Israelites in bondage for four hundred years, and Mr. B. doubted not, but much the same arguments as had been used on the present occasion, had been urged with great violence by the King of Egypt, whose heart, it is expressly said, had been extremely hardened, to show why he should not consent to let the children of Israel go, who had now become absolutely necessary to him; but, said he, gentlemen cannot forget the consequences that followed; they were delivered by a strong hand and stretched-out arm, and it ought to be remembered that the Almighty Power that accomplished their deliverance is the same yesterday, to-day, and forever. The New Testament has afforded a number of texts to countenance this doctrine, in the gentleman's opinion. One would have imagined that the uniform tenor of the Gospel, that breathes a spirit of love and universal philanthropy to our fellow-creatures—that commands our love to our neighbor to be measured by our love to ourselves—that teaches us that whatsoever we would that men should do to us, to do so to them, would have prevented this misapplication. Surely the gentleman overlooked the prophecy of St. Peter, where he foretells, that, among other damnable heresies, "through covetousness shall they, with feigned words, make merchandise of you."

A quotation from a modern author of great note in the philosophical world, has been most ungenerously made use of by the newspaper writer before referred to—I mean from the works of the famous *Mr. Paley*, whose treatise

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on Moral Philosophy does him the greatest credit—a single sentence or two is taken from this work, without regard to the connexion, to brand him with the charge of countenancing slavery. Mr. B. then produced the book and read the passage, wherein it appeared that *Mr. Paley* laid down “the obligation of slavery to arise from crimes, captivity, and debt;” that the slave trade on the coast of Africa is not excused by these principles; that no questions are there asked relative to the justice of the vender’s title, but this is the least crime with which this traffic is chargeable; the natives are excited to war, with this the wickedness begins; the slaves torn away from parents, wives, children, from their friends and companions, their fields and flocks, their home and country, are transported to the European settlements in America, with no other accommodation on ship-board than what is provided for brutes. This is the second stage of cruelty from which they are delivered, only to be placed, and that for life, in subjection to a dominion and system of laws the most tyrannical that ever were tolerated upon the face of the earth. But necessity is pretended, and after all it has never been proved that it exists. *Mr. Paley* then refers to the present situation of the United States. “The great revolution in the Western World, says he, may probably conduce (and who knows but what it was designed) to accelerate the fall of this abominable tyranny; and now it is a season for reflecting whether a Legislature, which had so long lent its assistance to the support of an institution replete with human misery, was fit to be trusted with an empire the most extensive that ever obtained in any age or quarter of the world.” He then shows that slavery was a part of the civil constitution of most countries when Christianity appeared; and the reason that its precepts did not expressly condemn or prohibit slavery was, because, soliciting admission into all nations, it abstained from meddling with the civil institutions of any. Then follows the passage quoted by the newspaper writer—“That the discharging of slaves from all obligation to their masters, which is the consequence of pronouncing slavery unlawful, would have no better effect than to let loose one-half of mankind on the other. Slaves would have been tempted to embrace a religion which asserted their right to freedom; masters would hardly have been persuaded to consent to claims founded on such authority; the most calamitous of all contests, a *bellum servile*, might probably have ensued, to the reproach, if not the extinction of the Christian name.” He then asserts, that emancipation should be gradual, and by the provisions of laws, and under the protection of Civil Government. “Christianity can only operate as an alterative. By the mild diffusion of its lights and influence, the minds of men are insensibly prepared to perceive and correct the enormities, which folly, wickedness, or accident have introduced into their public establishments.” Thus, proceeded Mr. B., justice is done to this

worthy philosopher, and my own sentiments are more concisely and explicitly set forth than I could have done without it.

But when gentlemen attempt to justify this unnatural traffic, or to prove the lawfulness of slavery, they should advert to the genius of our Government, and the principles of the Revolution. By the declaration of Congress, in 1775, setting forth the causes and necessity of taking up arms, they say, “If it was possible for men who exercise their reason, to believe that the Divine Author of our existence intended a part of the human race to hold an absolute property in, and an unbounded power over others, marked out by His infinite goodness and wisdom, as the objects of a legal domination never rightfully resistible, however severe and oppressive, the inhabitants of these Colonies might at least require from the Parliament of Great Britain some evidence that this dreadful authority over them had been granted to that body.” And by the Declaration of Independence, in 1776, Congress declare, “We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator, with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness.”

This, then, is the language of America in the day of distress. Mr. Chairman, I would not be understood, to contend the right of Congress at this time to prohibit the importation of slaves, whatever might have been the principles of the Revolution or the genius of the Government; by the present Constitution we are clearly and positively restrained till the year 1808, and I am sure that no gentleman in this committee would have the most distant wish to wound this instrument of our connexion.

But there is a wide difference between justifying this ungenerous traffic, and supporting a claim to property, vested at the time of the Constitution, and guarantied thereby. Besides it would be inhumanity itself, to turn these unhappy people loose to murder each other, or to perish for want of the necessaries of life. I never was an advocate for so extravagant a conduct.

Many arguments were pointed against the danger of our emancipating these slaves, or even holding up an idea that we had a power so to do, and much time has been taken up to disprove this right in Congress. As no claim of this kind is contended for, and the resolutions already passed expressly contradict it, I shall make no further observations on them.

But the characters of the signers of these memorials are called in question, as an argument against the adoption of the resolution on the table. One of these memorials was signed by the Society of people called Quakers; the other by Dr. Franklin, as President of a private Society in Philadelphia. The indiscriminate abuse that has been thrown out against the Quakers, without distinction, has not comported with the honor or dignity of this House. Not only their characters, but their very names have been call-



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ed upon, and private anecdotes, relating to individuals, been mentioned on the floor. Many of the Quakers I have long lived in the habits of friendship with, and can testify to the respectability of their characters and the regularity of their lives. Their conduct in the late war has been arraigned, and they have been condemned in the lump. I have known many of them during the war, and impartial justice requires it from me, to give the committee some official information on the subject: I had the honor of serving the United States at the commencement of the war, as Commissary General of prisoners. Congress not being able to afford them supplies, those unhappy men in this town were reduced to the very depths of distress, without food or raiment, without blankets or firing, they suffered every thing that human nature could bear. In this situation many of the Quakers of this city exercised such humanity towards them as did honor to human nature. The miserable prisoner not only felt the happy effects of their exertions in his favor, but participated in their money, their food, and clothing. Nay, such were the jealousies created by this conduct, in the British army here, that an armed force entered the house of one of them, seized his books, and though a man of great property and large commercial dealings, on finding that he had loaned large sums of money to our distressed prisoners, he was turned out of their lines, and with his family was a refugee during the whole of the war afterwards, separated from his business and property.

To whom was the care of our prisoners in Philadelphia committed? To a Quaker: and I have been witness to the just tribute of gratitude and thankfulness paid by great numbers of our unhappy fellow-citizens to that gentleman for his kindness and humanity. And is this indiscriminate charge, without the least respect to characters, a decent or a just return for a conduct like this? Where is the denomination amongst us, that did not furnish opposers to our glorious Revolution? Were not hundreds of Presbyterians, Episcopalians, and almost of every other denomination, among our enemies? What denominations formed the thousands of new levies, that endeavored to deluge our country in blood? On the other hand, were not a Greene and a Mifflin furnished from the Society of the Quakers?

In short, I rejoice to say, that our cause was not carried on by fanaticism or religious zeal, but a generous struggle for the rights of human nature. Then why all this abuse of this particular sect, without discrimination? Can any solid argument against the resolution on the table arise from a conduct of this kind? I am at a loss to know what other argument has been used to show the impropriety of the resolution before you. It goes to declare the power of Congress to prohibit foreigners from fitting out vessels in our ports, to supply foreigners with slaves from Africa. For my part, I think it a prudent, a humane, and a constitutional reso-

lution. It will render further interference on this subject, perhaps, unnecessary, when it is known that the power of Congress extends to remedy the evil. They will hardly venture to risk a voyage that may be ruined before its being finished.

The gentleman last up, (Mr. SMITH,) said, that it was now acknowledged, that one of the memorials had asked something contrary to the Constitution. I have never acknowledged this. The language is, that Congress would go to "the very verge of the Constitution," to accomplish the business; but there is no request to exceed it.

The character of the celebrated signer of the last memorial, Dr. Franklin, has been touched upon. The firmness of his mind has been suspected. An ingenious parable of his has been read to the committee, but its application totally mistaken. If the Supreme Being has borne with the unhappy subjects of our consideration, not for one hundred, but for thousands of years, in their own native land; has provided them with climate, soil, and social comforts, in which they rejoice; must we be discontented, and suppose, by adding to their misery, we can add to their happiness?

On the whole, sir, I have heard nothing to convince me of the impropriety of the present resolution. I shall therefore vote against striking it out.

It was moved that the sixth article be struck out, but the motion was negatived. The committee then agreed to the proposition. The seventh article was, on motion, struck out.

The committee then rose, and made their report to the House, which was laid on the table.

#### APPROPRIATION BILL.

A message was received from the Senate, with the bill making appropriations for the support of Government for the year 1790, concurring in with amendments.

TUESDAY, March 23.

The committee to whom was referred the petition of Richard Wells and John Hart, brought in the following report:

*Resolved*, That the possessors of the 'Continental bills of credit, emitted by the authority of Congress, before the 18th day of March, 1780, on bringing the same into the Treasury of the United States, shall receive certificates for the same, at the rate of one dollar specie value for one hundred dollars of the said bills; and the same shall be funded on interest in the same manner as the other debts of the United States. The interest to commence on the day the said bills shall be lodged in said Treasury; and all such bills in the Treasury of any State exceeding its quota required by the acts of Congress of the 7th day of October, 1779, and the 18th day of March, 1780, on being brought into the Treasury of the United States, shall be credited to the account of such State, at the rate aforesaid, on interest of six per cent. per annum, from the time it was received into the Treasury of the respective States. Laid on the table.

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The House proceeded to consider the amendments of the Senate to the bill making appropriations for the support of Government; which were agreed to.

#### SUBJECT OF SLAVERY.

It was then moved, that the House should take up the report of the committee of the whole on the report of the committee to whom was referred the memorials of the people called Quakers, and of the Pennsylvania Society for promoting the abolition of slavery.

This motion was opposed by Mr. JACKSON, Mr. SMITH, Mr. BURKE, and Mr. BLAND; they severally observed, that the discussion of the subject has already excited a spirit of dissension among the members of the House, and that every principle of policy and concern for the dignity of the House, and the peace and tranquillity of the United States, concur to show the propriety of dropping the subject, and letting it sleep where it is. On the other hand, Mr. VINING, Mr. HARTLEY, and Mr. PAGE observed, that there was the same propriety in taking up the subject at the present moment, and bringing it to a conclusion as there was for first taking it up; that it has been so fully discussed it cannot be supposed gentlemen will go over the same ground again; it may soon be determined, to pass it over will be unprecedented, and will leave the public mind in the same state of uncertainty from which so much danger is apprehended. The motion for taking up the report was warmly contested in a lengthy debate, and finally passed in the affirmative, by a majority of one. Whereupon, on motion, the said report of the Committee, and also the report of the Committee of the whole House of amendments to said report, be inserted on the Journal, it was resolved in the affirmative, 29 votes to 25. The Yeas and Nays were as follows:

Those who voted in the affirmative, are,

Messrs. Boudinot, Brown, Cadwalader, Contee, Floyd, Foster, Gerry, Gilman, Goodhue, Griffin, Hartley, Hathorn, Heister, Huntington, Lawrence, Lee, Leonard, Madison, Mahlenberg, Parker, Partridge, Schureman, Scott, Sedgwick, Sherman, Silvester, Sinnickson, Vining, and Wynkoop.

Those who voted in the negative, are,

Messrs. Ames, Baldwin, Benson, Bland, Burke, Carroll, Coles, Gale, Grout, Jackson, Livermore, Mathews, Moore, Page, Van Rensselaer, Smith, (of Maryland,) Smith, (of South Carolina,) Stone, Sturges, Sumpter, Thatcher, Trumbull, Tucker, White, and Williamson.

The said reports are as follow:

#### Report of the Special Committee.

The Committee to whom were referred sundry memorials from the people called Quakers; and also a memorial from the Pennsylvania Society for promoting the Abolition of Slavery, submit the following report:

That from the nature of the matters contained in these memorials, they were induced to examine the powers vested in Congress, under the present Constitution, relating to the Abolition of Slavery, and are clearly of opinion,

*First.* That the General Government is expressly restrained from prohibiting the importation of such persons "as any of the States now existing shall think proper to admit, until the year one thousand eight hundred and eight."

*Secondly.* That Congress, by a fair construction of the Constitution, are equally restrained from interfering in the emancipation of slaves, who already are, or who may, within the period mentioned, be imported into, or born within, any of the said States.

*Thirdly.* That Congress have no authority to interfere in the internal regulations of particular States, relative to the instructions of slaves in the principles of morality and religion; to their comfortable clothing, accommodations and subsistence; to the regulation of their marriages, and the prevention of the violation of the rights thereof, or to the separation of children from their parents; to a comfortable provision in cases of sickness, age, or infirmity; or to the seizure, transportation, or sale of free negroes; but have the fullest confidence in the wisdom and humanity of the Legislatures of the several States; that they will revise their laws from time to time, when necessary, and promote the objects mentioned in the memorials, and every other measure that may tend to the happiness of slaves.

*Fourthly.* That, nevertheless, Congress have authority, if they shall think it necessary, to lay at any time a tax or duty, not exceeding ten dollars for each person of any description, the importation of whom shall be by any of the States admitted as aforesaid.

*Fifthly.* That Congress have authority to interdict, or (so far as it is or may be carried on by citizens of the United States, for supplying foreigners) to regulate the African trade, and to make provision for the humane treatment of slaves, in all cases while on their passage to the United States, or to foreign ports, so far as it respects the citizens of the United States.

*Sixthly.* That Congress have also authority to prohibit foreigners from fitting out vessels, in any port of the United States, for transporting persons from Africa to any foreign port.

*Seventhly.* That the memorialist be informed, that in all cases to which the authority of Congress extends, they will exercise it for the humane objects of the memorialists, so far as they can be promoted on the principles of justice, humanity, and good policy."

#### Report of the Committee of the whole House.

The Committee of the whole House, to whom was committed the report of the committee on memorials of the people called Quakers, and of the Pennsylvania Society for promoting the Abolition of Slavery, report the following amendments:

Strike out the first clause, together with the recital thereto, and in lieu thereof insert, "That the migration or importation of such persons as any of the States now existing shall think proper to admit, cannot be prohibited by Congress, prior to the year one thousand eight hundred and eight."

Strike out the second and third clauses, and in lieu thereof insert "That Congress have no authority to interfere in the emancipation of slaves, or in the treatment of them within any of the States; it remaining with the several States alone to provide any regulations therein, which humanity and true policy may require."

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Strike out the fourth and fifth clauses, and in lieu thereof insert, "That Congress have authority to restrain the citizens of the United States from carrying on the African trade, for the purpose of supplying foreigners with slaves, and of providing, by proper regulations, for the humane treatment, during their passage, of slaves imported by the said citizens into the States admitting such importation."

Strike out the seventh clause.

WEDNESDAY, March 24.

JOHN BAPTIST ASHE, another member from North Carolina, appeared and took his seat.

The House proceeded to reconsider the amendment proposed by the Senate, to the bill to provide for the remission of fines, &c.

This amendment provides that judgment on forfeitures incurred in particular cases above a certain sum, should be ultimately referred to the Secretary of the Treasury, the Secretary of State, and the Attorney General of the United States; with a proviso granting full relief in cases of seizure in future not justly founded.

Mr. SMITH (of South Carolina) stated some objections to this amendment.

Mr. LIVERMORE was also opposed to it, as changing the principle of the bill altogether, and introducing an entire new act, very different from that passed by the House.

Mr. SHERMAN observed, that it was true the proposition of the Senate materially altered the bill; still he thought it a real amendment. It will lengthen the process, but it will eventually produce strict justice, and tend more effectually to secure the revenue and guard against impositions.

Mr. GOODHUE objected to the proposition, and observed that so far from affording any relief, as contemplated in the bill, we should be just as well off without any bill at all. He instanced the case of a person who should happen to incur, unintentionally, a penalty in the State of Georgia; he must send to the seat of Government to obtain a decision on his case; meantime, from the perishable nature of his cargo, as may happen, his property at all events is sacrificed. He hoped the amendment would not be acceded to.

Mr. JACKSON was opposed to it on similar principles, and observed that he should prefer that the Judge of the District Court should be empowered to give a final determination; he considered the Judge as competent as the officers of State at the seat of Government, and in a more responsible situation.

Mr. SMITH (of South Carolina) spoke largely on the subject, and in opposition to the amendment.

Mr. GERRY objected to the proposition as unconstitutional; as the appointing the Heads of Departments as Judges in this case is to all intents and purposes establishing a Board of Commissioners with judiciary powers; and is an indirect, and not very delicate attack on the power of the President and the Senate of the United States.

Mr. SEDGWICK was opposed to the former part of the amendment, but wished that the latter part might be adopted. He dissented from Mr. GERRY, by observing that he conceived there was propriety in referring matters of this nature to officers already appointed. Mr. SHERMAN proposed a Committee of Conference.

Mr. BURKE was in favor of the motion.

Mr. LAWRENCE entered into a general consideration of the subject of fines and forfeitures. These he observed, were originally designed as guards to the safe and effectual collection of the revenue; and in this view they ought to be as nearly inevitable as in any ways consistent with mercy to individuals, and justice to the public at large. The contemplation of a mitigation of these fines and forfeitures ought to be managed with a great deal of circumspection; that such difficulties may be thrown in the way of getting rid of those forfeitures, as may prevent careless and incautious violations of the law. He added several other observations, and concluded by saying, that he could wish the last part of the proposition should be adopted; but with respect to the former, he had not so fully digested the subject as to be able, at the present time, to give his opinion. He wished therefore that the bill might lay on the table for a few days.

Mr. HUNTINGTON said, he had always been opposed to the bill, as absurd and improper; for if a law is necessary in the present case to mitigate fines, &c. incurred for breaches of the revenue law, we shall act inconsistently with ourselves, if we do not pass laws to abate punishments in other cases. He believed no parallel can be produced in any country, of laws similar to the one proposed; it is referring matters of judicial determination to a Chancery unknown to the Constitution. He wished, therefore, that the bill might be suffered to lie on the table, never more to be taken up; if a Committee of Conference is appointed, he had no doubt this would be the issue of the business.

On the question being taken, the amendment of the Senate was disagreed to.

A Committee of Conference was then appointed, consisting of Mr. AMES, Mr. HUNTINGTON and Mr. JACKSON.

FOREIGN INTERCOURSE.

The engrossed bill providing the means of intercourse between the United States and foreign nations, was read the third time and ordered to be recommitted to Messrs. SEDGWICK, HUNTINGTON, and LEE.

THURSDAY, March 25.

Ordered, That leave be given to bring in a bill or bills further to suspend part of an act to regulate the collection of the duties imposed on the tonnage of ships or vessels, and in goods, wares and merchandises imported into the United States; and that Messrs. LEE, CADWALLADER, and SENEY do prepare the same.

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A message from the Senate informed the House that they had appointed managers to confer with such as this House may appoint on their amendment to the bill to provide for the remission of fines, &c.

A motion was then made that the House should go into a Committee of the whole on the bill respecting the south-west frontiers. Some objection was made to the immediate adoption of the motion, as interesting and important intelligence was daily expected from Governor SINCLAIR.

The motion being put was carried in the affirmative, and the galleries were thereupon cleared.

FRIDAY, March 26.

A memorial from the officers of the late Navy of the United States was presented, praying to be allowed the half-pay and other emoluments granted to the officers of the army. Referred to a select committee.

Mr. LEE, from the committee appointed for the purpose, presented a bill further to suspend part of the act regulating the collection of duties, &c. which was read the first time.

#### INSPECTION BILL.

The House resolved itself into a Committee of the whole on the bill to prevent the exportation of goods not duly inspected according to the laws of the several States. Mr. BOUDINOT in the chair.

Mr. LIVERMORE objected to the bill, as an unconstitutional interference on the part of Congress with the powers of the respective States. The Constitution, said he, has expressly reserved to the several States the power of making their own inspection laws, and the power of executing them is inseparably connected. Those laws will doubtless be executed without an interference on our part.

Mr. SMITH (of South Carolina) observed, that the object of the bill is to make it the duty of the collectors to attend to the execution of the State Inspection Laws, it having formerly been the duty of the State collectors; since the appointments were made by the United States, the officers did not conceive themselves bound to pay particular attention to those laws.

Several other gentlemen spoke on the subject, and the great importance of such laws, and their punctual execution were enlarged on.

The committee finally agreed to some amendments, which were adopted by the House; and the bill was ordered to be engrossed for a third reading on Monday next.

#### CESSION OF NORTH CAROLINA TERRITORY.

The House then resolved itself into a Committee of the whole on the bill sent from the Senate, to accept a cession of the claims of the State of North Carolina to a certain district of Western Territory, Mr. BOUDINOT in the chair.

In the preamble to the bill, the words, "THE HONORABLE," were prefixed to the names of the Senators from North Carolina.

Mr. PAGE moved that those words should be struck out. He observed that however honorable the gentlemen might be, and he was ready to acknowledge they were truly so, yet agreeable to the usage of the House, he conceived there was an impropriety in giving any titles. He hoped never to see the time when a Legislative sanction should be given to such distinctions. If a permanent Aristocracy was ever established among us, it would be through this medium. Such titles have been productive of infinite mischief in other countries; they are anti-republican, and as such cannot be conferred with any propriety by this House.

Mr. SEDGWICK observed, that if the Hon. gentleman was ready to acknowledge the Senators from the State of North Carolina were truly honorable characters, he could see no mischief or impropriety in saying so; it comports with the usage of the several States; but he considered it as a matter of trifling consequence, and hoped the committee would not spend time in altercation on the subject.

Mr. PAGE made some reply to Mr. SEDGWICK, and the vote being taken, it passed in the affirmative by a great majority, and the words were struck out.

A condition in the act of cession, relative to the emancipation of slaves, that Congress should not (as in the act for the Government of the Western Territory) provide for their freedom, occasioned some debate; an amendment was proposed and debated, but not adopted.

The committee reported the bill with the above amendment only; which was agreed to.

MONDAY, March 29.

The engrossed bill to prevent the exportation of goods not duly inspected, was read the third time and passed; also

The bill from the Senate, to accept a cession of the claims of the State of North Carolina to a certain district of Western Territory.

The bill further to suspend part of the act to regulate the collection of duties, was read the second time and committed.

#### PUBLIC DEBT.

A motion was then made, that the House then take up for consideration the report of the Committee of the whole, on the report of the Secretary of the Treasury relative to a provision for the support of the public credit.

Mr. WILLIAMSON said he hoped that the House would not take up the report. He wished that North Carolina should be fully represented on the floor, when the question for accepting the report should come before the House; he wished it, he said, as he had some facts to state to the House which would go to prove the total impropriety, if not impracticability, of agreeing to some of the propositions contained in the report. He moved, therefore, that the subject should be deferred, at least till to-morrow.

Mr. SEDGWICK and Mr. SHERMAN opposed a postponement.

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Mr. HEISTER spoke in favor of the motion; he thought the reasons offered by the gentleman from North Carolina important, and that he should be indulged.

The question was then put for taking up the report, and passed in the affirmative.—27 to 24.

The report was then read as follows:

1. *Resolved*, That adequate provision ought to be made for fulfilling the engagements of the United States in respect to their foreign debt.

2. *Resolved*, That permanent funds ought to be appropriated for the payment of interest on, and the gradual discharge of, the domestic debt of the United States.

3. *Resolved*, That the arrears of interest, including indents issued in payment thereof, ought to be provided for on the same terms with the principal of the said debt.

4. *Resolved*, That the debts of the respective States ought, with the consent of the creditors, to be assumed and provided for by the United States. And that effectual provision be at the same time made for liquidating and crediting to the States the whole of their respective expenditures during the war, as the same have been or may be stated for the purpose; and that, in such liquidation, the best evidence shall be received that the nature of the case will permit.

5. *Resolved*, That it is advisable to endeavor to effect a new modification of the domestic debt, including that of the particular States, with the voluntary consent of the creditors, by a loan, upon terms mutually beneficial to them and to the United States.

6. *Resolved*, That for the purpose expressed in the last preceding resolution, subscriptions towards a loan ought to be opened, to the amount of the said domestic debt, including that of the respective States, upon the terms following, to wit:

That for every hundred dollars subscribed, payable in the said debt, (as well interest as principal,) the subscriber be entitled, at his option, either

To have two-thirds funded at an annuity, or yearly interest at six per cent. redeemable at the pleasure of the Government, by payment of the principal; and to receive the other third in lands in the Western Territory, at the rate of twenty cents per acre. Or,

To have sixty-six dollars and two-thirds of a dollar funded immediately, at an annuity, or yearly interest of six per cent. irredeemable by any payment exceeding — per annum, on account both of principal and interest; and to have, at the end of — years, — funded at the like interest and rate of redemption.

7. *Resolved*, That immediate provision ought to be made for the present debt of the United States; and that the faith of Government ought to be pledged to make provision, at the next session, for so much of the debts of the respective States, as shall have been subscribed upon any of the terms expressed in the last resolution.

8. *Resolved*, That the funds which shall be appropriated according to the second of the foregoing Resolutions, be applied, in the first place, to the payment of interest on the sums subscribed towards the proposed loan; and that, if any part of the said domestic debt shall remain unsubscribed, the surplus of the said funds be applied, by a temporary appropriation, to the payment of interest on the unsubscribed part, so as not to exceed, for the present, four per

cent. per annum; but this limitation shall not be understood to impair the right of the non-subscribing creditors to the residue of the interest on their respective debts; and in case the aforesaid surplus should prove insufficient to pay the non-subscribing creditors, at the aforesaid rate of four per cent. that the faith of Government be pledged to make good such deficiency."

Mr. CARROLL objected to proceeding any further in the report; he submitted it to the House, whether it would not be more regular and expedient to go into a Committee of the whole on that part of the Report of the Secretary of the Treasury which relates to devising ways and means to pay the interest on the foreign and domestic debts; he thought this would be a more regular mode of conducting the business, he moved, therefore, that this proposition and those which follow be postponed.

The motion for postponement occasioned considerable debate; it was supported by Mr. CARROLL, Mr. SENEY, Mr. SMITH, (of Maryland,) Mr. STONE, and Mr. WILLIAMSON; the last gentleman observed that the Report had been agreed to in the Committee of the whole by a majority of four or five members only; North Carolina has about that number in her representation; she certainly has a right to be heard on the subject. We are not yet fully represented, and are not prepared to offer our sentiments. I have at home (said he) some papers which I wish to lay before the House. A proposition to assume twenty-five millions (I believe it will turn out to be thirty millions) ought to be maturely considered. He had a variety of difficulties on his mind, which he wished to have removed. He asked what was to be done with those creditors of the States who would not subscribe to the loans on this plan? Adverting to the report of the Secretary, he said, that when he saw calculations of one million of dollars to be derived from sources which he believed would be found not to produce five, he confessed he had his doubts respecting the rest; he saw no necessity for precipitating the question. He wished more fully to understand the subject.

The motion was then varied to recommitting the fourth proposition to a Committee of the whole House, which was opposed by Mr. SEDGWICK, Mr. AMES, Mr. LAWRENCE, Mr. BOUNDINOT, Mr. SHERMAN, Mr. BENSON, Mr. GERRY, Mr. BURKE, and Mr. SMITH (of South Carolina,) and supported by Mr. BLAND, Mr. WHITE, and Mr. JACKSON. In opposition to the motion it was said, that more than a fortnight had been spent in discussing the subject; that every argument on both sides had been produced which it was probable could be suggested; that the proposition was an essential part of the report; that subsequent propositions had received the approbation of gentlemen on a presumption that this would form a part of the system; that all the requisite forms had been attended to; that if the proposition was again re-committed, it would be worse than sacrificing

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the time for no object, which had been spent upon it, as the whole ground would be gone over again; that the reason urged on account of North Carolina might be obviated by considering that the debates had been published; the state of the business fully laid down; and that the various stages it has to pass through before it is completed, will afford the members from that State ample opportunity to offer their sentiments.

In support of the motion it was said that the majority in the Committee in favor of the proposition was small; that the subject was very important in its nature and consequences; a great variety of different sentiments prevailed among the people; some States were totally opposed to the assumption, as it would interfere with their arrangements made to pay the interest of their debts; that the subject was susceptible of new light being thrown upon it; new arguments may be adduced; some objections it was said had not been removed. North Carolina is interested as much as the other States, and has as good a right to be fully heard as either Massachusetts or South Carolina; that it was unprecedented not to consent to a re-commitment at the request of a particular State. Some gentlemen in supporting the motion entered into the merits of the proposition. They remarked that as the amount of the State debts was not fully ascertained, the assumption might put it out of the power of the United States to make adequate provision for payment of the interest of their foreign and domestic debts, and Mr. WILLIAMSON said, the assumption would defraud the State of North Carolina of half a million of dollars.

The question for re-commitment being put, it passed in the affirmative; 29 to 27.

TUESDAY, March 30.

#### TRADE AND INTERCOURSE.

Mr. WADSWORTH, from the committee appointed for the purpose, presented a bill to regulate trade and intercourse with the Indian tribes, which was read the first time.

#### USEFUL ARTS.

A message from the Senate informed the House, that they had passed the bill to promote the progress of useful arts, with several amendments, to which they desire the concurrence of this House.

#### AMENDMENTS TO THE CONSTITUTION.

A member from North Carolina presented to the House the proceedings of a Convention of that State, recommending certain amendments to the Constitution of the United States, which were ordered to lie on the table.

#### PUBLIC DEBT.

The order of the day being called for, the SPEAKER read the fifth resolution of the report of the Committee of the whole on the report of the Secretary of the Treasury.

Mr. GERRY moved, that all the propositions subsequent to that for assuming the State debt should be recommitted to a Committee of the whole. He observed, that these are so inseparably connected with the foregoing, that those who consider the assumption as an object of importance have associated the subsequent propositions with it, and cannot consistently vote for the latter, but in reference to the former.

This motion occasioned debate.

It was opposed by Mr. CARROLL, Mr. STONE, Mr. SENEY, Mr. JACKSON, and Mr. WILLIAMSON; and supported by Mr. BLAND, Mr. VINING, Mr. LAWRENCE, Mr. BURKE, and Mr. WADSWORTH.

The motion being put, it passed in the affirmative; thirty-one members voting in favor of it.

The House then went into a Committee of the whole; Mr. LIVERMORE in the chair.

Mr. BLAND said, he had the misfortune to differ with all his colleagues on so important a point as that of the State debts being assumed by the United States in its general funding system; and as that singularity might be attributed by some either to caprice, whim, or a perverse humor, he thought it incumbent on him to show to the House, and to his colleagues in particular, that he considered it as founded upon the soundest principles, both as to the general welfare of the Union and the particular State of which he had the honor to be one of the representatives. He knew that his attachment to the general weal of the Union had been doubted by some who did not know him. He knew that he had been denominated an anti-federalist when the adoption of the new Constitution was agitated. He then considered, and at this instant considered some parts of that Constitution as dangerous to the general liberties of his country. He wished to see them amended. He had since had the pleasure to see them in part amended. He hoped in future to see them so amended as to take away every objection; so far he was an anti-federalist. But he assured the House, that there was no man in America more strongly attached to a firm union of the States than himself, or a good and efficient Government which consisted with the true principles of liberty. Among his objections to the new Constitution, was a dread that he entertained of silent majorities on questions of great and general concern; that he had heard gentlemen in that House, some of the firmest supporters of the adoption of the new Government, lament and deplore these silent majorities with great pathos. That however his ideas of binding the States together (upon the principle of his having been opposed to the adoption of the Constitution without the amendments he had mentioned) might be ridiculed, he conceived, himself, that he was perfectly consistent; he always had supported, and should continue to support, those measures which should bind and strengthen the Union, so far as was consistent with the Constitution and the rights of a free people.



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He should now consider the subject before the House as it concerned the State from whence he came, and although he addressed this particularly to his colleagues, he conceived what was said of Virginia would apply in part to most of the States in the Union. He conceived, that should the assumption of the State debts not take place (he meant that part that might properly be deemed Continental, as having been incurred for the common defence during the war) those States which had made the most vigorous exertions would be most embarrassed. In this predicament it was generally allowed Virginia stood. Virginia had at one time in the field twenty-one regiments, including infantry, cavalry and artillery; these were fully officered; it was true, some of them were Continental and some State regiments, but they had been all settled with alike.

Virginia had a number of marine officers and sailors which were employed in her State vessels; they had also been put on the list of her public creditors, and had received certificates for pay and depreciation. In short, her military debt for Continental purposes amounted to three millions three hundred thousand dollars, principal, on which she had regularly paid an interest in specie, annually, of six per cent. This fund arose from arrangements in her revenue, of which she had then the entire possession. Her impost was pledged for the payment of this interest, and was competent thereto; has she not given up to the Continent, to the General Government, this rich source of revenue, and this debt, or others of a like nature, is now charged on her lands and negroes. From the commencement of the war, great, nay, enormous emigrations have taken place, and still continue. Kentucky is said to contain fifty or sixty thousand souls, nine-tenths of which have emigrated from Virginia. It is said, and I believe with truth, that more than one-half of Georgia is peopled from Virginia by recent emigrations. The state of Franklin, the cession of which this House has just accepted, has been also chiefly peopled from Virginia, and is said to contain more than twenty thousand people. Large numbers have emigrated to other States, to avoid either being called into service, to obtain lands on easy terms, or to avoid taxation. What is now the situation of Virginia? The remaining citizens are to pay (unless the assumption takes place) the whole debt, while she, who has been termed the elder of the States, and not improperly may be termed the mother of those just mentioned, may not unaptly be compared to the Pelican, who is represented as feeding her young with her life's blood, that is, with her citizens. And how are these citizens employed? Why in Georgia, helping to pay their State debt, and in Kentucky and Franklin, hitherto out of the reach of taxation, or unable to contribute any thing towards this purpose from their own exposed situation, being engaged in their own defence ever since the war with Great Britain.

Virginia may on this occasion be divided into two parts, independent of Kentucky; that from the sea-coast to about the heart of the State, through which the army marched, both friends and enemies, as one part; and that near and beyond the mountains, as another. The first was subject to have their houses and towns burnt by the enemy, their plantations laid waste, and their negroes carried off. It is beyond all doubt, that not less than seven thousand of these, the best of our laborers, were carried off by the enemy, or left their masters; those inhabitants who suffered this loss are also the greatest creditors to the State and the United States, having loaned money, had their property impressed for the use of their armies, or contributed voluntarily to their support. By emigration, vast quantities of vacant land belonging to the emigrants have been brought to market, so that the lands in all parts of the State have fallen sixty per cent. in value; and these lands, thus depreciated, are now loaded with a heavy tax to pay this Continental State debt. The burthen has become almost intolerable, and this burthen is aggravated by the lands being depopulated of their laboring hands which have been either taken off by the enemy, or by emigration.

I am not surprised (continued Mr. BLAND) that Georgia has declared herself against the assumption, or that the members even from Virginia, who came from the far West, should do so; but I own I am a little surprised that North Carolina should have taken up that opinion, especially as what has been said of Virginia with respect to emigrations applies in a certain degree to her case also. In short, when Virginia contracted her debt, she had reason to think her resources were adequate to the payment; but those resources are gone, she has not only parted with her revenue from impost and tonnage, but she has parted with her immense territory Northwest of the Ohio. This, sir, is deemed a respectable fund for the discharge of the Continental debt. What proportion of this fund will fall to her share as a State? She will partake of it exactly as her citizens are creditors of the United States; and I believe it may be safely asserted, that the military debt which she has taken on herself as a temporary measure recommended by Congress out of the question, her citizens will be found as lenders to the Continent, or holders of Continental securities, not upon a par with some of the smallest States in the Union. [Mr. BLAND here stated the amount of the State debts of Virginia; four-fifths of which, if not nine-tenths, might justly be placed to the account of the United States.]

Some gentlemen are very desirous to sever the funding of the debt of the United States from that of the States, though both of them have been incurred for the same purposes, viz: the payment of the army and the common defence against the common enemy. It would be, in my opinion, like separating man and wife, or like amputating limbs from the body; I can-

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not see where the sound part ends, and the gangrene, which is to be cut off, begins.

Mr. B. hoped he had satisfied his colleagues and the House, that his vote on this occasion was not the effect of caprice or singularity, but was founded on principle, both as it related to the general good, and the good of the State from whence he came, and that he would be justified in voting that the assumption of the State debts, so far as it went to that incurred during the war for the general defence, should take place. He said, he disliked long speeches, and should not have troubled the House on this occasion so long, had he not been fully convinced in his own mind, and conceived himself called up from the peculiar predicament he stood in, in differing from all his colleagues in opinion on a matter of so much moment to the Union and to the State of Virginia.

Mr. BURKE said, he had a few observations to offer to the Committee, in order to satisfy some gentlemen whose principal objections to the assumption of the State debts were the S. C. frigate and the Penobscot expedition; these two objections remained to be moved away, it seems, as a sort of rubbish, before we can lay the foundation. When the subject of the State debts was formerly before the Committee of the whole, Mr. B. was sorry he omitted to enter into the history of the transactions relating to the frigate, not thinking that gentlemen would avail themselves of that affair to embarrass the measure of assumption. He begged the indulgence of the Committee while he gave a detail of it, as he had no doubt of giving such a satisfactory account as would convince the Committee that the motives and reasons of that business flowed from pure patriotic principles, and principles connected with the general interests of the Union. There is not a gentleman on the floor who is a stranger to the feeble situation of our State, when we entered into the war to oppose the British power. We were not only without money, without an army or military stores, but we were few in number, and likely to be entangled with our domestics in case the enemy invaded us. When the British fleet and army arrived on our coasts in 1776, so small was our quantity of powder, that we could trust but a very small part of it at Fort Moultrie, the first post in front of the enemy; a precaution very fortunate to them, for had the garrison had a sufficiency of powder, through that auspicious day, the British ships must have left their bones in the channel. And as to the article of lead, it is a fact which has never been related, that the citizens of Charleston were called on, and did actually furnish the lead used about their windows; such was the desperate situation for want of stores. As to small arms, those of the regular troops were generally indifferent, and the militia were miserably armed. The administration, however, made every effort, in the years 1776 and 1777, and spared no expense to obtain those articles of defence from Europe and the West-Indies; but so

guarded and lined were our coasts with British cruisers, that our attempts often proved vain; many vessels with those articles on board were captured, often in sight of the town, and the few escaping had to run the gauntlet through the enemy's fires. In the latter end of 1777 (I think it was) a Mr. Galvan prevailed on our Government to employ him to go to France for arms; he went accordingly, charged with this commission, and with produce to purchase them. He returned with arms. Whether he was imposed on in the contract or not, we could not tell; but most of them burst in proving them. The whole importation was not, I believe, worth one farthing for substantial use.

In 1778, our circumstances, for the want of means of defending ourselves, were truly wretched, and we had rumors and reason to expect that our situation would again invite the enemy to invade us. The means of procuring military stores, and clothing for our standing forces, or for the militia when called out, was an object of such magnitude as to occupy the attention of the patriots of that country, and finally the mind of the Legislature, who, taking into consideration the want of all kinds of necessaries requisite for our situation, viewing the unfortunate disappointments met with by our small vessels falling into the hands of the enemy's cruising frigates, our Legislature, in that year, resolved upon a bold enterprising attempt to furnish the country with supplies. This attempt was to purchase in Europe, and equip for sea, three frigates, whose united efforts might give us a greater chance of their reaching our coasts in safety. It was an arduous undertaking; but it was such a one as was worthy of gallant men contending for liberty. And here I have to make one observation respecting the State I belong to. I have not the honor of being a native of it, so that I shall not be charged with vanity or ostentation. Such was the native generosity of that people, that they thought no expense too great; such their gallantry and spirit of enterprise, that though comparatively few in number, yet they deemed no danger or undertaking too arduous for them in the common cause. For the business of the frigates, they provided the enormous sum of upwards of seventy thousand pounds sterling; and to go to Europe to make the purchase, and take the command of them, they appointed a gentleman, Commodore Gillon, who, besides his being an able seaman, possessed bravery and talents. Indigo was purchased and shipped to France for that purpose; but a misfortune soon presented itself, which proved the source of all the embarrassments which that gentleman had to contend with in Europe, and of all the trouble and expense afterwards attending the frigate *South Carolina*. The vessel in which a great part of the indigo was shipped was manned with British seamen, picked up as they could be got in our necessity; they mutinied at sea and carried the vessel and cargo into England, as the reward of their treach-

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ery, under British encouragement. Congress, about the commencement of the war, by way of retaliation, gave a similar incentive to British seamen to run away with British West-India ships, into the ports of the Continent, which they often did, and relieved our wants of West-India produce. Destitute of seamen, we were obliged to employ men, whose perfidiousness was felt by their friends and enemies. I mention it as a specimen of the honest *frankness* and *integrity* of British tars, often boasted of. Commodore Gillon met with every difficulty and embarrassment. It became impracticable for him to execute his commission fully; but well knowing the fervent zeal and expectation of the country he served respecting the business he came upon, he determined to procure and equip a vessel of force. As he was destitute of the resources sufficient for the purchase, and as the credit of a State, liable to the calamities of a dreadful war must have been at a low ebb, an honorable member, now of the Senate, (Mr. IZARD) being then in Europe, warm with patriotic zeal to promote the service of his country, advanced his personal credit, which Commodore Gillon also did, for the purchase and equipment of the frigate South Carolina. These gentlemen, at that day, not only believed they were taking a measure which would be acceptable to their countrymen, but they thought they were doing what was wise and expedient for the public service, or they never would have embarked their private fortunes in it as they did. The ship putting to sea, made several prizes, and so far performed service by distressing the common enemy. At the Havana she was employed by the Spanish Government to cover the expedition against New Providence, a place which the Commodore, his officers and crew, were chiefly instrumental in reducing. Any profit arising from those services we are willing to account for.

So the business of that frigate had its source in the generous breasts of our countrymen, in their warm and honest fervor for the liberties and independence of the United States. In order to put arms into the hands of our citizens, to supply clothing, powder and military stores, to put us on a footing with our enemy, should they again invade us, and to redeem us from the miserable defenceless situation we were plunged in, in the beginning of 1778.

Mr. B. added a few other observations, and concluded by apologizing to the Committee for having trespassed on their time. He had other things to advance, but would stop for the present, and reserve himself for another occasion to shew the policy and justice of assuming the State debts.

Mr. JACKSON replied to Mr. BLAND and Mr. BURKE. Although he conceived the subject matter, respecting Georgia, foreign to the point before the Committee, yet, as it had been brought forward, he thought himself called on to perform his duty by a reply.

The gentleman (Mr. BLAND) had declared

Georgia to have sucked the life-blood of Virginia, but that she had not acted as a dutiful child in return. He did not know that Georgia was to do as she was bid; but admitting the force of what the gentleman had advanced, and that Virginia was the mother of Georgia, still Georgia could not be called an undutiful daughter; for the representatives of the State of Georgia were of the same opinion with the body of the representatives of Virginia, on the subject of the assumption of the State debts.

The gentleman had brought forward estimates of debts and losses of their respective States. If the losses of Georgia were to be compared, those of Virginia, or any other State, would be comparatively small. Not to enumerate others, the losses of whole crops of rice, indigo, corn, &c. of that State for the years 1778, 1779, 1780, 1781 and 1782, would far overbalance any estimate which could be produced, and the loss of so many crops were instances which could not be equalled by any State in the Union.

Mr. J. added a few words in reply to Mr. BURKE, and concluded by observing that he was still against the assumption, nor did he think the House bound for it; the exertions of the different States had been unequal; the House had only pledged itself for a provision for the debts of the Union, and that he hoped would take place.

Mr. WILLIAMSON observed, that on a subject which had been handled by gentlemen of great information and abilities, he could not expect to offer new arguments, but as he had not heard the arguments hitherto advanced, and as he differed very much from the opinion of the late committee, it was a duty he owed to himself, to the State he had the honor to represent, and to the nation at large, to give some reasons why he conceived that the debts of the several States ought not to be assumed. He observed that the National debt had been stated at fifty-four millions of dollars, the interest of that sum is three millions, two hundred and forty thousand dollars. The debts of the individual States had been stated at twenty-five millions, he believed a few millions might be added to that amount, for he knew that many citizens of North Carolina had good claims against the State or the Union not hitherto settled, and the State had instructed its delegates to obtain a longer time for exhibiting claims against the United States. He believed the citizens of Virginia had also many claims to exhibit, and when he considered the present claims of North Carolina were six or seven millions of dollars, he thought it not improbable that the amount of the debts might be near thirty millions; he would call it for the present, twenty-five. The interest of that sum is one million and a half. He thought that an annual tax of three million two hundred and forty thousand dollars, is a burthen sufficient for the present abilities of the nation. He did not comprehend the new theory, viz: that a great burthen is

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more easily carried by making it greater; he heartily wished a safe voyage to the political vessel; but he had some apprehensions that with the proposed cargo she might sink at her anchors. He knew that the proposed tax is small, when we consider the number of our fellow-citizens, and compare it with the numbers in several kingdoms and the taxes paid by them; but the facility of raising taxes by imposts and excises is according to the number of inhabitants in any given space.

In the city of Paris, where a vast body of people are collected within a small space, the inhabitants are supposed, by one species of tax or another, to pay sixty-four livres per head; in other parts of that kingdom it has been found difficult to collect nineteen livres per head from the subjects, though France is well peopled and contains many considerable cities.

If three times as much could be collected in the city of Paris by imposts, duties, and excises, as in the other parts of France, he conceived that very small sums might be expected to arise in America from excises, and our impost must decrease in proportion as the industry and necessities of the people increase. He admitted that direct taxes, as a land-tax or a poll-tax, may be collected with some degree of certainty, but he wished never to see direct taxes imposed by the National Government. They are dangerous, because they have been the means of cruel oppression; the Romans had never been completely miserable till one of their Emperors had the address to introduce a capitation tax. He observed that his fellow-citizens in North Carolina were not in general rich, few of them so provident as to lay up money; for this reason, while he was entrusted with their concerns, he should oppose every measure that looked towards direct taxation. He wished never to see the day, when to satisfy a land tax, or a capitation tax, a poor man's cow or horse might be taken from him, on which he depended for the support of helpless children. Let the State debts be once assumed and you must proceed, if your calculations are bad, and they are nothing more than pure conjecture, and the impost and excise does not come up to your expectations, the national honor must be preserved, the debt is yours and must be paid, let the means be ever so hard. It will doubtless be observed that the interest of the State debts must be paid either by the several States or by the Union, and it is indifferent to the people under what name they make the payments. This argument, he alleged, was extremely fallacious, for after the National Legislature has imposed such taxes as might become general, the State Legislatures may, with great ease, and in some cases with great advantage to the citizens, impose other taxes. The produce of the States is different; the inhabitants have different modes of living, and there is a difference even in their vices; wherefore different taxes might be proper. Such taxes might be useful to correct vices or

restrain habits that should not be indulged. It will certainly be granted, that the Legislature of the State, in many cases, can best accommodate the burthen to the strength and feelings of the citizens. It had hitherto been considered, that the States owed certain duties, and that they had a certain quota of services to perform. From the particular policy of some of the States, their debts had depreciated greatly, certificates had been at 2s. 6d. in the pound. People would not readily be reconciled to the new creed, "that the debts lately paid are State debts, but all the debts not paid are National debts," especially as this discovery is made after most of the certificates have changed their original holders, and have passed for a trifle into the hands of moneyed men. Cæsar's wife should not only be chaste, but without suspicion. He conceived that a National Legislature should be extremely cautious how they adopted new measures, especially if there was a single hook to which the suspicion of personal interest might be attached.

The situation of North Carolina, he alleged, was somewhat different from that of her sister States. Commissioners had, on sundry occasions, issued Continental securities to the citizens of the several States, independent of the army certificates, to the amount of four million eight hundred and ninety-two thousand dollars; of this sum about eight thousand dollars had been issued to the citizens of North Carolina. The citizens of that State have hardly any Continental securities, because the State, by one accident or other, has been obliged to assume the payment of the Continental debts; she has assumed debts to the amount of six or seven millions of dollars. In what manner are the citizens to be rewarded for all their labors and supplies? He prayed the Committee would attend to the operation of this new system. Other States, since the peace, have laid taxes to raise money for paying interest, and that interest has been returned into the hands of their own citizens. North Carolina has imposed heavy taxes for sinking certificates, being part of the principal of the public debt; the citizen has drawn no relief from those taxes, and to crown his misfortunes, he is not to get a credit for the certificates sunk. The State has also issued paper money to the amount of two hundred thousand pounds; that is to say, half a million of dollars; some of this money has been applied towards paying the late Continental line of the army, and some of it has been employed in buying up public securities. The securities are in the Treasury, but the paper money is in circulation; our citizens are to be taxed for sinking this money, and we are not allowed a discount for the certificates which we purchased by the money. Will not this be a double tax? We are required to pay our proportion towards the interest of other people's certificates; we must at the same time pay taxes towards sinking our paper money, which is another species of certificates. But

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we are not to be relieved in the mean time by discounting the interest of the certificates we have taken up. Patience itself would complain of such injustice. Perhaps we shall be told, that the double tax will be inconvenient, but we shall be repaid on some future occasion. We shall get a credit when the accounts of all the States are settled, and the quota of the several States are fixed; in other words, *we may expect justice at the day of judgment.* He prayed it might be observed, that the accounts were not in a train to be settled; that they could not possibly be settled under any existing law, and Congress had not taken a single step from which he could believe that they intended to make any settlement. The original rule for fixing the quotas of the several States, "according to the value of lands and their improvements," had long since been given up as impracticable. Congress had substituted no other rule in its place, as they were seriously disposed to settle the accounts of the several States, and to render some measure of justice to the most deserving the necessary steps were obvious. In forming a rule for settling the accounts, he was persuaded that North Carolina would not appear to be illiberal. He presumed also that she would be disposed to make a generous allowance to the several States for all services that had usually been called military; but he could not reconcile himself to this system of assuming the debt first, and talking afterwards concerning its origin. It has been observed, that the State debts are not to be funded immediately; how shall we account for this extraordinary zeal in declaring absolutely that they shall be assumed? Are we afraid that the next Congress will refuse to do justice? Are we desirous to cut off the possibility of returning, if we should change our minds on better information? One obvious benefit will arise from this sudden adoption. A few men who chanced to be near the seat of Government, and first possessed of the scheme, flew to Carolina, and there bought up securities at 3s. in the pound; those men will be liberally rewarded, while his unfortunate fellow-citizens are left to pay a second tax for the same object, and to complain of the injustice of Government.

On this occasion, he said, he was not left to conjecture what would be the sense of his constituents. The late Convention had expressed it fully in one of the amendments which they had forwarded to Congress, in the following words:

"Congress shall not directly or indirectly, either by themselves or through the judiciary, interfere with any one of the States in the redemption of paper money, already emitted and now in circulation, or in liquidating and discharging the public securities of any one of the States, but each and every State shall have the exclusive right of making such laws and regulations for the above purposes as they shall think proper."

In this amendment the Convention had been unanimous. On this occasion, he was not only

pursuing a measure that accorded with the sense of his constituents, but it was a measure that had perfect justice for its object. North Carolina asked for no favors, she sought for no advantages under cover of general resolves, she was ready to account according to the spirit of the original contract; a contract that had not been altered by the new form of Government, for justice was immutable. The new Government could not be strengthened by hasty measures, much less by any departure from justice.

Mr. SEDGWICK said, it had been reported abroad, and declared in the House, that those gentlemen who were in favor of the assumption, meant to prevent a settlement of the accounts of the individual States, with the United States. To remove every objection arising from that source, he would take the liberty of declaring once for all, and that in the most unequivocal and positive language, that he did not now, nor ever had entertained such an intention, and that he had the fullest confidence that the same declaration might be applied to every gentleman in favor of the measure.

Mr. S. said, that the House, after having exhausted the subject in a most deliberate discussion, had again resolved themselves into a committee in consequence of the gentleman from North Carolina (Mr. W.) having pledged himself in five minutes to demonstrate that by the assumption the State he represented would be defrauded of half a million of dollars. That he had attended very carefully to the process of this demonstration, and perhaps it might not be altogether time mispent in communicating to the committee the observations which had occurred to him upon it.

He understood the gentleman to have declared that North Carolina had rendered services beyond her proportion; that her debt created for national purposes, and part of which had been actually assumed, was also beyond her proportion; that the accounts of the individual States with the United States would never be adjusted; and more, that there was an intention with the majority of Congress to prevent it. What conclusion was to be drawn from this? North Carolina would sustain an injury from the circumstances stated, if the debt shall not be assumed; common sense would then dictate that justice to North Carolina required that the debts should be assumed. This consequence, however, was not deduced from the premises; the gentleman had agreed that as North Carolina, independent of the assumption, would sustain an injury, against which she could by no other means be relieved, therefore he had wisely concluded that by the assumption she would be defrauded.

Mr. S. said, the gentleman had further stated that North Carolina had been so unfortunate, that some of her confidential officers had issued fraudulently three hundred thousand dollars in certificates; which certificates, if the debt of that State should be assumed, must be

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paid by this Government. If so, there could be no doubt but this Government would indeed be defrauded, and North Carolina would of course be subjected to her proportion of the burden resulting from it; but he wished the gentleman to consider, whether the National Councils might not, aided by his wisdom and experience, be supposed to possess nearly as much sagacity in detecting frauds and guarding against their effects, as the Government of North Carolina.

The next argument of the gentleman, Mr. S. observed, was still more extraordinary, and indeed greatly beyond his comprehension: - He had stated to the Committee that North Carolina had issued paper money to a certain amount, with this money they had purchased certificates. Here, then, he concludes the State had made one purchase for which it should have a credit; still, however, this money is to be reduced, which will be an additional burthen on the people. Here, then, it is supposed to have been proved that a double payment has been made, and yet it is justly concluded that only a single credit is proposed to be given for this wonderful operation. Mr. S. said, he would illustrate the *ingenious* argument of the gentleman by an example exactly similar: 'I borrow,' said he, 'of my friend a hundred pounds, for which I pay him by my bond; the man at the time agreed upon for the payment of the money, applies for it, whereupon I, with a sober face, tell him, that when I received his money he was paid for it by my bond and should he be so unconscionable as to insist on his money, he would receive *double payment*.' Surely any reasonable man would be convinced by the argument. Just so North Carolina purchased certificates with her *valuable* paper promises; this is one payment, she performs her promises, and thus has made double payments.

Mr. S. observed, that the gentleman had said, that while some States had made provision for the payment of the interest of the debt, North Carolina had not done so. She had redeemed the principal. If, indeed, North Carolina had neglected to make any provision for the payment of the interest, and had caused the immense depreciation which would unavoidably arise from that source, and had then laid a specific tax payable in the principal, it was an argument infinitely stronger than any he had heard in favor of discrimination; but how it could operate against the proposed assumption was beyond the powers of his mind to discover.

He further observed, that the gentleman had produced the North Carolina amendment as a reason against the assumption, that it had also been declared to be a substantial argument against the measure, that the idea had never been contemplated by any body in the Southern States until since the report of the Secretary. He said, he could not very well understand how the Convention of North Carolina could propose an amendment with an intention to prevent a measure they had never thought of.

The gentleman from North Carolina had said, he was sensible some of the States were unduly and unequally burthened, and that he was willing to afford them relief when the accounts should be settled. At the same time he was so candid as to declare, that he did not believe those accounts ever would be settled. He said, that if the gentleman had possessed less confidence in his own powers of persuasion, he would perhaps have permitted at least one day to intervene between one of those declarations and the other.

These, said Mr. S., are the arguments, the weighty arguments, which the gentleman pledged himself should have all the force of demonstration, and in expectation of hearing which the majority considered themselves authorised to suspend their determination on a question the most important that ever came before this House; a determination which the public mind has long expected with an anxiety proportioned to its magnitude.

Mr. S. concluded by observing, that if the majority of the Committee was influenced in their determination on this important question by an enlarged, liberal, and extended national policy, there could be no doubt of the result; but, on the contrary, if local and narrow ideas should prevail, he should despair of success, and with it, of those benefits which he had fondly hoped would attend the administration of this Government.

Mr. WILLIAMSON, in reply to Mr. SEDGWICK said, that he had not asserted that North Carolina had paid more than her proportion; the gentleman does not hear well; he had said, that North Carolina had assumed to herself more than her proportion of the Continental debt. He repeated his remark, that there was a design to prevent a settlement. Let the settlement first be made, and North Carolina will cheerfully concur in assuming the balances which may appear, due from the United States; but the present plan is to get the whole funded, and let the settlement come on as it will.

Mr. PAGE, in opposition to assumption, said, it was a measure which did not meet the approbation of the creditors themselves. Some of the debts were contracted for purposes in which the rest were no more interested than a foreign nation. He then repeated the objections respecting consolidation; the measure would tend to that, and from that to Monarchy. He enlarged on the idea of a spirit of rivalry's giving rise to the debts of the separate States; they were free, sovereign, and independent; were at liberty to contract what debts they pleased, and the United States were not bound to pay debts contracted from such motives. He hoped the committee would abandon the proposition, and go on to consider the rest, which are totally independent of it.

Mr. GOODHUE.—After observing that the comparative view of the merits and services of the several States has nothing to do with the present question, he said, the war commenced



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when there was no Legislative body to represent the Union; it was carried on by paper money; when that ceased, and the credit of the United States was gone, they applied to the individual States. Congress depended on the credit of the States separately; hence arose the debts of the States; and thus it appears demonstratively, that those debts are the debts of the United States; contracted on their account, and which they are bound by every principle of justice and policy to provide for. This obligation, it appears, is greatly enhanced by this consideration, that the funds on which these debts were dependant, and from which the interest on them was paid, is now assumed by the United States. The impost and excise, under the management of the individual States, was barely sufficient for this purpose; they have now nothing left but the excise, which is found to be very unproductive; the consequences of direct taxation have been severely felt. I am clearly of opinion, that if we do not make this assumption, the very existence of this Government will be endangered; the competition for revenue will excite such heats and animosities, as will destroy the revenue altogether.

He concluded, by wishing that the subject might be taken up on fair and equal principles; and from thence, he doubted not, it would appear a measure of indispensable necessity and justice to adopt the proposition for the assumption.

Mr. STONE said he had mentioned, on a former occasion, that New York and Pennsylvania were become accountable as States for large sums, the former on account of confiscated estates; the latter to the Penn family. The gentleman from Philadelphia had said, that that State had no idea of burdening the Union with that debt. He did not suppose that those States had it in contemplation to transfer them to the United States; but if the creditors prefer the funds of the United States to those of the individual Governments, they can place their demands on a Continental establishment, nor can the State prevent it. It had been said, that debts of this description were not considered by the Secretary in his estimate of the amount of the State debts; this affords additional strength to the argument against assuming, which arises from the uncertainty of the amount which we may have to provide funds for. It is evident, in this way the State debts may be increased to an enormous amount.

Mr. LAWRENCE observed, that it was doubted whether the accounts between the several States would ever be adjusted, and this formed a principal objection to the assumption of the State debts. He requested gentlemen, who had these doubts, to consider what had been done by the late and present Government to effect this business. That a Board of Commissioners, with very extensive powers, had been erected; those Commissioners had been recognised by the present Government; provision had been made for their pay, and the pay of their clerks, and an

addition to the pay of the latter had been agreed on by the House of Representatives. The amendment to the present proposition, proposed by a gentleman from Virginia, and adopted by the committee, premised that effectual provision should be made for liquidating and settling these accounts. So that if those already adopted, and which were now in operation, were not sufficient, adequate and proper measures for the purpose would, it was highly probable, be agreed on. Believing that these accounts would finally be adjusted, he could not discern that any injustice could be done by the assumption, because the sum assumed was to be charged to the State, and would be set off against claims of the State for the expenditures during the war, either for general or particular defence.

He further observed, that he considered the evidences of claims in possession of individuals were founded on such expenditures of moneys and supplies furnished, as the States would eventually be credited for; and although there was an inequality in these debts at present, yet a final liquidation would do justice to all. In the intermediate time, he supposed it would be a measure founded in justice and sound policy to assume these demands, which were liquidated by the States, and which were possessed by individuals, because there was no solid distinction between them and those which they possessed as claims against the Union; as the former were for the same service and supplies, and were to have been paid out of a common fund supplied by the respective States in certain proportions; but which has not been done, and, on account of the deficiency and inability of this fund, were, at the recommendations of the late Congress, assumed by the several States to their respective citizens.

By the change of Government, the funds appropriated to discharge these demands were now occupied or might be possessed by Congress; and it was proper, when the revenues were taken, the debts should also be taken. An effectual provision could be made for all the debts, with more ease and convenience, and with less expense to the citizens of the Union, by systems proceeding from the General Government, than if they were made by the former for one class of creditors, and by the State Government for another. If the assumption should not be made, probably different provisions would be made by the States for their debts, which would depend either on their ability or policy, and a diversity of interest be occasioned, which, in its operation, might be prejudicial to the general happiness; and the only effectual and proper mode of obviating this, was to assume the State debts, whereby the different creditors would have their demands provided for and discharged by the same body, and those contending interests, which would otherwise take place, prevented.

He remarked, that a question had been asked, whether it was easier to provide for a large debt than a small one? The debt of the Union was

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sufficiently large, and if we added the State debts, the difficulty would be increased.

Mr. LAWRENCE observed, that these debts already existed, though in different shapes, yet substantially the same: transferring the demand from the State to the Union did not change the entire sum owed by the Union and the States, and provision ought to be made for the whole: that, supposing it would be made, the Union, having the revenues of the particular States unincumbered and unoccupied, could make provision more conveniently and more satisfactorily than can be done if the assumption should not take place, and part of these revenues, probably, the most productive part, pre-occupied and retained by several of the important States. The mode of providing for the debts would be more agreeable to many States in the Union, as it could be done by imposts and excises, and we should rid many of the States from the oppressive mode of direct taxes; the former would do general justice, as each individual in the Union would pay according to his consumption.

Particular instances have been mentioned to show that injustice would be done to some States, if the proposition was adopted; but these contemplated that no settlement would take place. Provision could be made to obviate difficulties in these cases; and, in determining on a general proposition, it was sufficient that the principle of it was just, because when it was assented to, and to be carried into effect, the details and provisions could be suggested, considered, and made as should appear proper.

Mr. L. concluded that the proposition was just and proper, and would be productive of national advantage; and as it had, so it again should receive his assent.

The committee rose, and reported progress.

WEDNESDAY, March 31.

INDIAN TRIBES.

The bill to regulate trade and intercourse with the Indian tribes was read the second time, and committed.

FOREIGN INTERCOURSE.

Mr. SEDGWICK, from the committee to whom was recommitted the bill providing the means of intercourse between the United States and foreign nations, presented an amendatory bill, which received its first and second reading, and was committed.

Mr. S. also reported from the same committee the following resolution, which was ordered to lie on the table:

DEPARTMENT OF STATE.

*Resolved*, That the Secretary of State be directed to report to the House whether, in his opinion, it is expedient that the foreign and domestic branches of business in his Department should be kept distinct; and whether it be necessary that a Chief Clerk be appointed for each.

PUBLIC DEBT.

The House resolved itself into a Committee of the whole on the Report of the Secretary of

the Treasury relative to a provision for the support of the public credit. Mr. LIVERMORE in the chair.

Mr. WILLIAMSON observed, that North Carolina must be confessedly a sufferer unless the accounts of the several States within the Union should be settled. He had said, it was his firm belief that the final settlement of those accounts was intentionally delayed. He also believed, that if the assumption once took place, a settlement would never be effected. He was not bound to answer so many questions. Why were Commissioners appointed? Why were they continued? Why were they allowed clerks sufficient, with liberal salaries? There was an answer at hand. All this might be done to save appearances, until the assumption was effected; but he rather supposed that the scheme of assumption was new, and not coherent with former systems. If questions might stand for arguments, he would take the liberty, in his turn, of asking, Why are not the Commissioners furnished with a rule for determining the quotas of the several States? It is known that, without such rule, they cannot possibly settle the accounts. The neglect of this provision, and some other concomitant circumstances, stand with him for a good cause to suspect that the accounts are to await the final settlement. The member from New York had observed, that Congress, being in possession of all the funds, ought, in justice, to pay all the debts of the individual States. This position, if well founded, proves too much: it proves that Congress should pay the expense of the Civil Government of the States; but it is not true, as he conceived, that Congress have the exclusive benefit of any fund except the impost duty. It is granted that Congress may impose taxes of excise; it may demand twelve cents per gallon for all the rum that is retailed in the United States, and the Legislature of any State may lay an additional excise of eighteen pence per gallon on rum. Are gentlemen afraid that the consumption of rum will be prevented? It is strange that gentlemen should offer to support this new and exceptionable measure by allegations that are so ill founded.

Mr. PAGE.—One of my colleagues has taken pains to convince the House that it will be for the interest of his State for Congress to assume payment of the State debts, and had concluded that his colleagues differed from him in opinion. I rise to show upon what grounds they so differ from him; and this I do, not because I suppose I am the best qualified to undertake the business, but because, as I have said but little as yet, and may have been misunderstood, I wish, whilst I answer my respectable friend, I may have an opportunity of showing in what light I view the question before the committee.

Sir, my colleague stated it would be for the interest of Virginia that Congress should assume the payment of the debts, because taxes laid for that purpose by her Legislature bore unequally on the State, particularly in the middle

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and eastern parts. But, sir, granting this to be true, it is only a proof that the weight of Legislative influence is against those parts of the country, and, if so, it is a proof that a majority of the Legislature at least would be against our sheltering ourselves under the General Government, against the exertions of its authority; that if the present mode of levying taxes be agreeable to a majority of the people, the innovation proposed must be disagreeable to them; and that it is disagreeable even to the holders of public securities, appears to me to be evident, from the sudden and great fall of State certificates, and the eagerness with which creditors get rid of them. This is a fact of which I am well informed; they sold from thirty to forty per cent. it is affirmed, soon after the plan of assumption was proposed; and I am assured, by some of the most sensible and best informed gentlemen in Virginia, that they think the assumption of the State debts unjust with respect to Virginia, and impolitic.

This, then, I think ought to be a satisfactory answer to my worthy colleague, especially when I add, that the State now pays its debts in its own way, in its own time, upon very easy terms, and the creditors are satisfied; and cannot but be alarmed at the assumption proposed by Congress, at least at the delay of two years before they can possibly tell what their certificates will be worth.

Sir, my friend, (Mr. BLAND,) and other respectable members on his side of the question, suppose that policy and justice dictated the resolution before you; but I conceive that policy demands that we should do nothing which may wound the credit of the General Government, and excite the jealous fears of its late opposers and secret enemies; and as to justice, that requires that Congress should pay the debts of the late Congress, and sacredly comply with all its own engagements; and that State Legislatures should pay their debts, and comply with their engagements. By doing this, both the General Government and the individual States will establish their credit, and follow the dictates of the soundest policy.

As to the debt of America, it is two-fold; one part was incurred for the general defence, sometimes under requisitions of Congress, and sometimes by virtuous and voluntary exertions; the other part was incurred for local purposes; sometimes, indeed, against the common enemy, but sometimes to show the power and spirit of the State; perhaps sometimes to lay the foundation of future grandeur and pre-eminence amongst the States, which, it ought to be remembered, were separate, sovereign, and independent, vying with each other and clashing in their interests, so as to render it necessary to abolish the Confederation which feebly held them together only against a common enemy, and to establish the present Federal Government, under which alone provision can be made for payment of such debts as are now proposed to be assumed. But those particular debts, further

than such as are truly Continental charges, and contracted under the late Government, Congress ought no more to meddle with than the debts of our allies in Europe. Sir, if we undertake to pay a debt beyond that which the late Congress was bound to pay, and a debt, too, which is said to be enormous, must we not alarm the creditors of the late Government? Must we not weaken the credit of the new Government, and perhaps to such a degree as to injure the very States which suppose they will be benefited by the assumption proposed? I conceive, sir, it would be good policy in Congress to establish its credit upon the firmest basis. If it shall do this, it may hold forth its protecting hand to the weaker States, and enable them to flourish in agriculture, arts, and commerce, so as to be able to pay all their own debts with honor.

Here I will observe, that I think it highly improper in gentlemen to represent the State debts so large as to be beyond their ability to pay them. I think this injurious to the credit of the States, and, I hope, founded on a mistake. For my part, I think there is not a State in the Union which, under the fostering hand of the General Government, cannot pay its debts in a reasonable time; and sure I am, that the impost, tonnage, and back lands, will abundantly suffice for the payment of the debts and supplies of the General Government.

It is said, that these, and all the resources of Government, being taken away, leave the States without the means of paying their debts; but this is a mistake: for if we reject the resolution before you, the States will have direct taxes in their own hands for this purpose. If, indeed, the resolution be adopted, I know not what the States will have left. We shall then have grasped at all their resources; we shall prove the truth of the predictions of the enemies of this Government, and wound the feelings of its friends, who so often declared that they could pledge themselves that Congress never would lay direct taxes but in cases of extreme necessity, and where the general good evidently required it. But in the case before us, there is no such necessity; on the contrary, it is proposed merely to afford a partial relief to a few States, to the injury of a majority, and perhaps to the destruction of the public credit, which may terminate in the ruin of all.

Thinking, therefore, as I do, of the resolution before the committee, I shall vote to reject it.

Mr. BLAND.—I rise to explain myself to my honorable colleague over the way, (Mr. PAGE,) or I would not now have troubled the House. That gentleman seems to have rested his arguments in his opposition to the sentiments I expressed yesterday, on a single point, and that not the principal one which I made use of, but only a collateral one; nor do I think he has, by any means, invalidated what I then said even on that point. I could wish the gentleman had taken the whole of my arguments, and answer-

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ed them satisfactorily to me and the committee, and not have detached them. He would then have found that I yesterday mentioned some facts not easily to be disproved. That Virginia had suffered the loss of a great number of her citizens by emigration to Kentucky, Franklin, Georgia, and other places, of whose assistance in the payment of her State debts she was totally deprived; nay, to those of Kentucky, she had yielded a very expensive protection, since the war, without receiving any return in taxes: that, in consequence of her citizens emigrating, great quantities of the lands of those emigrants were offered for sale, which, with other causes, had produced a great fall in the value of the lands held by those who had not emigrated, and who had now to pay the debts which were properly the debts of the Union; to pay their own State debt, and the debts which they owed to British creditors prior to the war—to those creditors and that nation who had taken from these very people their negroes, laid waste those very lands, and burnt those towns, from whence they were to derive the means of paying any thing. It is true, I mentioned in a cursory manner, and meant to apply it in its proper place, that the weight of wealth lay towards the sea-coast, and in the track of the armies; that there also, of course, lay the burthen of war, and the principal part of those who were creditors of the State for moneys loaned and supplies furnished, &c. and that the weight of Legislative influence lay towards the mountains, and beyond them. I called upon the gentleman to state, if this fact had not been ascertained in the Legislature of Virginia, when the subject of the payment of British debts was agitated in that assembly; and asked him, if loud complaints were not uttered from every part of the House from the lower members above described; nay, even from members surrounding the honorable gentleman's place of abode. How much, then, must the State creditors, as I contend they are improperly called, for the bulk of the State debt, dread a similar proceeding, if the assumption does not take place, should any measure be moved which might affect the credit of the State funds, and especially when the securities, by being transferred, shall get into the hands of a few persons, compared to the whole, or to those who now possess them, and who may be obliged to part with them? I must remind the gentleman that the British debtors are liable to be sued for their debts in the Federal Court, and that to many total ruin must ensue. A peace was necessary for America at the time it was made; few persons, except those who profited by the war, would have been willing to have continued it in our circumstances; those debtors were made a sacrifice to the obtaining that peace; and without they are relieved by the assumption of the Continental debt, which was assumed by the States when the Continent was deficient in resources, their ruin would be complete. He would candidly hear and weigh every argument

that could be urged; but had yet heard none that, either on a general or State principle, had induced him to believe he should vote on this great question otherwise than he had hitherto done; that he was open to conviction, but could not change his opinion on slight grounds.

Mr. SMITH (of S. C.) replied to Mr. WILLIAMSON. He said he was not afraid of the assumption business losing ground by a reconsideration. He was sorry to hear that North Carolina would be defrauded of half a million by the measure, but he believed there was more probability of a fraud being committed if no assumption was to take place. Part of the gentleman's reasoning, said Mr. S., goes more in favor of the measure than against it; and the remainder of his arguments are not difficult to refute.

The gentleman has observed, that it was imprudent to add to the debt, which was already a large one, by the assumption; that the amount of the State debts was uncertain, and that a door was still to be opened to increase them. It is not adding to a debt to acknowledge those we owe, and we have already resolved that Congress owes these debts which have been improperly called State debts, because they were incurred for general purposes; it is not a wanton act, but an honest avowal, that these debts ought to be paid by the Union, their actual amount is immaterial, if they are dues. Has not the House declared they will fund the domestic debt, and is that all liquidated? There are eighty millions of Continental bills still unsettled—a man cannot refuse paying a just debt because he is not acquainted with the precise amount of all his debts. No door is opened to new claims from individuals, but only a permission to the States to bring forward their claims. This will not increase the amount of the State debts, for they are already liquidated by the several States, it will only affect the final settlement between the States and the United States. The same member has said, that North Carolina owes to her citizens a large debt, amounting to several millions, which she has assumed, and which Congress ought to pay, and he adduces that as an argument against the assumption, when, in fact, it is the strongest reason he could have offered to show its justice and propriety; for it would be the height of injustice to burden that State with the payment of a large sum which she does not owe; but if the measure is wrong, he would vote against it, although it should be for the interest of North Carolina. In this the gentleman was to be commended; but the Committee of the whole, after fair discussion, has declared the measure to be right. If it was right when that vote was taken, an adventitious circumstance could not make it wrong. Suppose North Carolina had not acceded, then the measure would have been declared a right one by a decided majority; its accession cannot make it a wrong one, especially when it is so obvious that it will be for her interest,

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We are cautioned against the imprudence of undertaking what we cannot pay; but either the State debts are to be paid, or they are not. If they are never to be paid, I give up the argument; if they are to be paid, and that is admitted on all sides, then I am clear it will be more easy for Congress to pay them than the States, it will require less money to be levied on the people. The resources are the same, whether they are paid by the one or the other; but the collection will be more simple and economical in the one case than in the other. The only question is, whether these resources shall flow into the pockets of the creditors through one channel or through thirteen. The Secretary of the Treasury has assured us he has ample funds for the purpose, and others in reserve, without laying a land-tax; his calculations have been questioned, but as he is a responsible officer, who has undoubtedly contemplated the subject with attention, and whose reputation is in some measure pledged for the accuracy of his Reports, I am inclined to give credit to them, until I hear them refuted. From his calculations, it is evident, that the State debts may be funded with the greatest ease by the Union, and with infinitely more advantage to the people in general than by the several States. To prove our inability, we have been told, that the inhabitants of France who reside in Paris, contribute each sixty-four livres annually, and those who dwell in the country, nineteen livres to the Government. Apply this to the citizens of the United States, and what will be the result: Suppose two hundred thousand inhabitants dwelling in towns, paying annually sixty-four livres, or fourteen dollars, this would furnish the sum of two millions eight hundred thousand dollars. And suppose two millions eight hundred thousand inhabitants residing in the country, paying nineteen livres, or three and a half dollars, this would give nine millions eight hundred thousand dollars, making together the aggregate sum of twelve millions six hundred thousand dollars; but the sum required for the interest on the debt, including those of the several States and the civil list, is only three millions eight hundred and forty thousand dollars, leaving a surplus revenue of eight millions seven hundred and sixty thousand dollars. Thus the instance which the gentleman cites, to prove the inadequacy of our resources, has a direct contrary effect, and, if applicable, contradicts his own assertions.

It is said, that the impost will be inadequate to the purpose, and is uncertain, and that a poll and land-tax, which may be collected with greater certainty, are to be deprecated, because they would be odious to the people. I admit that if the State creditors are excluded from the benefits of the impost it will be insufficient even to discharge the interest on the Continental debt, because the obstructions which will be thrown in its way by the State Legislatures in funding the State debts, and the facility which will be given to smuggling, by the injured State

creditors, will considerably reduce the avails of the impost which may be laid for that purpose. But if the State creditors, who are considerably more numerous than the other class, are included in the provision, they will have an interest in supporting the due collection of the revenue, and the general popularity of the impost will ensure its operation. If the citizens of North Carolina deprecate a direct tax, they will find their advantage in the assumption; for if they are left to fund their own debts, they must resort to direct taxes: they are deprived of the impost altogether; little or no revenue can be drawn from a State excise; they must therefore raise all their supplies by a direct tax. One or other of these consequences must therefore ensue; either that State must distress her citizens annually by imposing an enormous direct tax, payable in good money, or she must defraud her creditors, by paying them off in a depreciated paper. These are hard alternatives, but they are the inevitable consequences of a non-assumption.

The member from that State has said, that her citizens, though numerous, are not wealthy. This is another reason, in my judgment, why the assumption would be advantageous to them; for citizens who are not wealthy contribute less to the revenue by impost than by direct taxes. A poor man pays as much by a poll-tax as a rich one; but each individual pays an impost only in proportion to his riches. He contends, however, that a direct tax, though it would be obnoxious to the people, if collected by Continental authority, would be acceptable, if levied by the authority of the States. When we advert to the funding systems of the several States we shall find them less beneficial to the people than is imagined. The mode of issuing certificates for interest, and calling them in by a direct tax, is injurious both to the creditors and to the other citizens. The creditor is heavily taxed in order to pay himself; money is taken from him in the first instance to pay him the interest on his debt; the poorer part of the community who are unprovided with these certificates, delay purchasing them till they are pressed for their taxes, and then they are supplied at an enhanced rate by an accommodating speculator, or a friendly collector, who had previously bought them up for the purpose. The creditor receives no benefit, the public derive no advantage, the citizens are heavily taxed, and the speculators get all the profit.

The constant fluctuation in their schemes of finance is another distressing circumstance to the citizens. In one session, those who have purchased public property, for which they are to pay in State paper, and which it becomes their interest to depreciate, gain the ascendancy, and carry measures productive of that effect. In the next, the holders of the State paper preponderate, and, in their turn, procure a system which will appreciate the paper. Thus the people are embarrassed and distressed by these speculations and contentions.

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The numerous tax-collectors in the different States is another cause of expense and inconvenience to the citizens. A direct tax in every State would require, under State regulations, at least thirteen hundred Collectors, all of whom must be paid by the people for their trouble. There is another consequence resulting from direct taxes of a very serious nature: individuals are too apt to neglect making provision for their taxes in due season; executions are issued against them, their property is levied upon, and they have ultimately to pay poundage and constable fees, which sometimes amount to more than the tax itself. All these grievances are removed by resorting to the impost, and that species of revenue will alone be nearly competent to provide for the State debts, if assumed by the Union. Even should Congress resort to direct taxation (and some members from the Southern States have expressed a predilection for it) there is no doubt that it would be levied in a mode adapted to the particular habits and convenience of every State; for by the Constitution it is not required that taxes, like duties and excise, should be uniform; and as each State has its particular representation in this House, it is evident that the accommodation of the different parts of the Union would be consulted. It would also be levied with more economy under one system than under thirteen.

The cession which the State of North Carolina has made to the United States, is said to contain a provision which is opposed to the assumption: the provision referred to only relates to the final adjustment of the accounts between the individual States; for it requires that in such adjustment the lands ceded, and the inhabitants belonging thereto, shall not be estimated in ascertaining the proportion of North Carolina with the other States in the common expense occasioned by the war.

An amendment proposed by that State to the Constitution has also been expatiated on, as manifesting her aversion to this measure. It is rather extraordinary, that this construction should be given to the amendment, when the House have been told that the idea of an assumption was never contemplated in that State; indeed, it was improbable the citizens of that country should endeavor to guard against a measure, the bare possibility of which had never occurred to them. An attentive examination of that amendment will prove, that it evinces no such intention as has been attributed to it; as it relates expressly to all the States, it could not have had North Carolina exclusively in view, nor was it designed to guard against any interference with her State paper alone. As it particularly relates to an interference by Congress or the Judiciary, it proves an apprehension of some interference by the Federal Courts, which could not be involved in a question of assumption. It is therefore evident, that the true interpretation of that amendment is that the Convention of that State were apprehensive of some interposition of the Judicial Courts of the

United States, in enforcing payment of her State securities. That it does not relate to the question of assumption is clear, because were it calculated to prevent an assumption, it would have said so in explicit terms, and declared that Congress should not pay her State debts; and because the gentleman from that State has informed the committee that they never dreamt of an assumption. North Carolina is unwilling that Congress should dictate to her how she should discharge her debt; but it does not appear that she has any objection to Congress assuming and paying it themselves.

Admit, however, the full force of the remark, and it would tend to restrain Congress from funding even the Continental and foreign debt, without the assent of two-thirds of the members present in both Houses; for another amendment from that State requires that no navigation law, or law regulating commerce, should pass except in the above mode; and the funding system cannot go into operation without such laws. The gentleman however would have no objection, he says, to the assumption, provided security could be given that there would be a settlement of the accounts of the several States; but there is no such proviso in the amendment. If it has in view the assumption, it is opposed to it under any modification whatever. How can he then reconcile his State to a vote given in contradiction to their express sentiments, merely because the business would be put in a shape which is palatable to himself. Is not this another proof that the amendment did not relate to the assumption?

Another local objection is started from that State. It is said, that she has issued paper money with which she has bought up and paid off certificates, and which paper money she must lay taxes to redeem; and if Congress do not assume that paper, as part of her debt, she will be under the necessity of paying taxes to sink it, and, at the same time, of contributing her proportion of revenue for the debts of other States, and that this would be defrauding her of half a million of dollars, the amount of the paper so emitted. If that State has sunk a part of her debt, Congress will have less to assume on her account in proportion to the sum discharged. There will be consequently a smaller charge against her in the ultimate settlement, and she will become a creditor State in the same proportion. If, therefore, she has bought in her own certificates under par, or paid them off with paper in a depreciated state, she has been a gainer by the negotiation, and is in a better condition than those States which have not had this advantage. The revenue she will contribute will be applied as well to the payment of her own debts as those of other States, which will also contribute their proportion to the payment of her debts. But no measures, it is said, are in forwardness for the completion of this settlement. Commissioners of Accounts have been engaged a considerable time in this business, and are now pursuing it with the as-



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sistance of a numerous body of clerks, and are in a train of settlement. Should other measures be thought requisite to expedite and insure the adjustment, Congress may accompany the assumption with a bill making special and effectual provision for that object. North Carolina, it is said, is apprehensive lest some securities of that State, which were fraudulently issued, should be funded by the Union, and charged to her account. How will they be charged to her account, if there is to be no settlement of the accounts? And the member from that State says he is persuaded there is to be none. She will then receive the benefit of those securities, and the citizens of the other States will pay her the interest on them, if they are sold to speculators; at all events, she or her citizens have received a consideration for them. But either that State will be able to detect the fraud, or she will not; if she can discover the fraud, so can Congress; they will therefore be rejected, and there is no ground of apprehension. If the fraud is not liable to detection, then, at any rate, North Carolina must pay them. Inasmuch, therefore, as it is for her interest that they should be paid by Congress, rather than by herself, this circumstance is rather an argument in favor of the assumption.

The Committee rose, and reported progress.

FRIDAY, April I.

The resolution laid on the table yesterday, respecting the State Department, was taken up, and, after some consideration, was rejected.

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The House then went into a committee on the report of the Secretary of the Treasury; Mr. LIVERMORE in the chair.

Mr. HARTLEY.—I am, as at present informed, for the assumption, but under certain terms or distinctions; and in this stage of the business I wish to explain myself in a few words. The thirteen Colonies (now States) united in a common defence, and afterwards declared themselves independent and sovereign States. Quotas were fixed for each State by different resolutions of Congress, and which they ought to have paid; but when, from the seats of war, one or more States may have been obliged to expend more than such quotas in the common cause, certainly the other States became debtors for so much.

The war was carried on very unequally, raging with more violence in some parts of the United States than in others; and of course some States may have experienced more misery and distress than others, and have been forced to greater exertions. South Carolina has some merit; she has incurred a large debt. The inhabitants of Pennsylvania have been taxed deep for many years to sink her share of the national debt. Nay, the exertions of that State, in the two last years of the war, were so great, as to furnish the most efficient means for the support of it. Her citizens have been

since distressed with taxes. I wish, if possible, to give them relief.

Quotas, as I have said, were fixed upon the several States. Those quotas, which were perhaps as just as any that could be devised, should be regarded; and where the requisitions were not complied with, the delinquent States are debtors, and would be charged. The accounts should be balanced, and due credit given to the creditor States; and a plan such as is offered by the Secretary in his first report, or some other one, might be adopted to discharge them gradually. I think it prudent and politic that both sorts of debts should be assumed, they being contracted in the common cause.

I said I was for the assumption; but in the mode of payment I am for distinctions. The debts of the United States, and for which certificates were given, are debts in strict contract: the debts of the several States are equitable claims, or, I will say, just claims, but in sound policy should be placed in a second degree.

In the administration of property, according to the English law, distinctions are often made in the payment of debts of different kinds: those of strict contract are preferred to those of an inferior sort, and if there is a deficiency of effects, the loss falls upon the last. I trust there will be no deficiency here; but let us for a moment suppose the worst. And I would observe here, that for the first we have complete means in our power; for the other, we have the rising greatness of America, and perhaps sufficient resources, but which would perhaps be imprudent or oppressive to call them forth at present.

I am for the assumption; I am for a complete provision in the former, and for taking reasonable steps for the gradual discharge of the latter.

I shall, however, object to some articles adopted in the committee, as well as to several articles of means pointed out in both reports, as they strongly operate against the manufactures and interests of the several States, and are contrary to the genius of the people.

Mr. JACKSON said, it was granted that it was intended there should be a general treasury, and that the charges for the common defence should be defrayed therefrom. He likewise granted that those charges of the particular States, which had been so incurred, were on an equality with the debts of the Continent; but many of the State charges were not of that nature, and where they were, he thought the gentleman from North Carolina (Mr. WILLIAMSON) had proved to the House yesterday that they had been transferred. It was a fact that the individual States had assumed them, and made them their own. Many of the States had provided for them, and in those provisions had sunk part of those debts.

Some gentlemen had advanced that there was no difference in the debt, and that it would not be exaggerated by the assumption proposed. He begged leave to differ from them, and to

suppose that an accumulation would take place. If the debt is assumed, he believed it was contemplated to suffer the unliquidated accounts to be brought to a settlement; this has been declared by the gentleman from Massachusetts (Mr. SEDGWICK) who has spoken strenuously in favor of the measure. Can this House be partial and say that we will give this privilege to Massachusetts, and not to Georgia? At present, the limitation to claims in several of the States is expired, and the citizens are contented: but if this assumption takes place, and the door is again opened, is it not the duty of those citizens who are to be saddled with the debts, to bring forward their claims; and is it not the interests of the respective States to support them? It will become just and necessary to have all those dormant claims liquidated.

It has been said by several gentlemen that it will be more in the power of Congress to compel a regularity of taxes, and to remove the inconveniences of individual States. He agreed as to the power, Congress could lay a direct or other tax as they pleased, but the inconveniences would be much greater than if laid by the individual States. To some States an excise would be agreeable; to other States, not in the habit of excise, it would be the most disagreeable tax. It will be so in the Southern States, while in the Northern and Eastern States it might be preferred. Some States are in the habit of poll taxes, which are odious in many others; and we find by the Eastern papers that direct taxes would be much complained of there. Some of those papers congratulate the farmers that they will have no direct tax to pay. Had not the individual States then better be answerable for and pay those debts? Cannot they lay a tax on excise where excise is agreeable, a poll tax where that is the custom, and direct taxes where they have been habitual. The direct tax, I will venture to affirm, would be preferred to the Southward. If Congress take this business on themselves, they cannot do this. The tax must be uniform, and of one nature. A general plan must be taken up, which will be unequal and oppressive.

An inference was drawn yesterday on a man in private life, who would not pay part of his debts, because he knew not the amount of the whole of his debts. He would ask what would be said in private life of a man who, to keep his neighbor in subjection, would monopolize his debts. This appeared to him to be similar to the present case. Many of the States were averse to Congress taking up their debts, and if those States (for there is no knowing at present whether they are debtors or creditors) should fall in arrear, they certainly will be at the mercy of the Union. He believed the case he had stated would be generally censured as deviating from principles which were right in private life. He knew no difference why it should not be so in public life. Here the House were tampering with the citizens, and debts they had nothing to do with, becoming assignees

of the State creditors, and there was no knowing what the Union might do at a future day.

It has been advanced, on the subject of impost, that consumption depended on numbers. This he did not agree to. The consumption, as it struck his mind, depended on habit. Thus, for instance, the Northern States, although possessed of greater numbers, consume less than the Southern, because they are in the habit of using their own manufactures. The Southern States had no manufactures, and consumed chiefly foreign articles.

The consumption cannot be judged of by the importation at any particular port, as Philadelphia or New York; for in those places a great proportion of foreign articles is again shipped for other ports, and some of the Southern ports are nearly supplied in this manner. However vast, then, the revenue which some States are supposed to contribute, that revenue is paid by the consuming States; impost will then bear harder on the Southern States than direct taxes.

But, sir, suppose, as the gentlemen express themselves, there will be no accumulation, let us examine how it is proposed we shall provide for this assumption. Salt is one article from which this revenue is to be drawn. This, sir, has been complained of by many of the gentlemen who have spoken in favor of the assumption, and will be very illy relished by many of the States. Another article of revenue has been declared of little value by the gentleman from North Carolina; and although he has been answered by the gentleman from South Carolina, yet there appears no certainty. The gentleman from South Carolina, if the gentleman from North Carolina has erred, has exaggerated too much the other way. Another principal article of revenue is that of manufactured tobacco, and by which the Secretary proposes to draw a large amount. But if we look to the petition on the table from the manufacturers of that article, I think they clearly prove we may not expect a shilling from it. I have the highest respect for the Secretary's abilities; but when the opinions of those who carry on this manufacture, and ought to know, are placed in competition with it, I must confess I am led to give my sanction to the latter. Those, however, are the funds which the Secretary has provided for this assumption; and I am led to believe all the funds in contemplation are in his report. If, then, we find the articles he values will not produce the revenue, is it not better to let the measure rest until we see the means to accomplish it? Gentlemen have argued that we should fund first, and look for the means afterwards. What, he would ask, would be said of the man who, in private life, would run thirty or forty thousand pounds in debt, and after that seek the means of paying it? Would this satisfy his creditors? Yet this was similar to the present case. Sir, let us calculate this business not from theory but experience. Let us know the amount and the

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means, and then, if I conceive it for the general interest, it shall have my sanction.

The gentleman has enumerated the State Collectors which will be requisite if the States continue the powers of taxation. I would ask him, if Congress will not require double that number, two to one, if they take the power, and an army at their back, if the tax should be disagreeable. This tax must be rendered palatable to the people, lest, notwithstanding the fiat of this House, we shall find our fiat of little benefit. In some of the States it will be disagreeable at any rate, and they will not suffer the money to be again taken from their pockets where they have already contributed. Besides, let us consider the time and expense a Continental arrangement will make necessary: take the matter in any sense, it will be found improper.

A gentleman has interpreted the amendment from North Carolina to be, that Congress shall not compel her to pay twenty shillings in the pound. This he thought uncharitable, and that the gentleman should have looked to our own body first—to Congress. He would ask if Congress had paid her twenty shillings in the pound? If her soldiers and other creditors had been so honorably dealt with? He was sorry it would not be found the case, and North Carolina ought therefore to be let alone on this head. For his part, he construed the amendment as diametrically opposed to the assumption, and he would leave it to the Committee if it was policy to adopt the measure even on this single consideration. A bare majority, if the measure be carried, is all that can be expected, and he would ask if this bare majority would satisfy that State? Suppose it carried by this majority, and they would not submit, was it intended to reduce them to obedience by force? Was this a language for freemen? He supposed not; reconcile them to the measure, bring forward your funds, show them they are not to be oppressed, and you will accomplish the business much easier.

With respect to a settlement, it was the interest of the State he came from to procure one; but he despaired of it. He would venture to predict, if the assumption took place, a settlement would never be procured; nay, the Secretary himself had not contemplated it in his report as an event which would certainly take place: for, he says, after finding out the mode eventually to be adopted, that the second or final success must depend upon the first. But suppose this settlement, have the arguments of the gentleman answered the objections to the justice of the measure in taxing the citizens of the States which have sunk their debts twice over? For suppose them Continental or State debts, still the injustice remains; if the former, the citizens have sunk their proportion of the Continental debts, and therefore ought not to be taxed again; if considered as State debts, as they have been taxed for their own State debts, they ought not to be taxed for the debts of other States.

The gentleman last up (Mr. HARTLEY) has mentioned the quotas of the different States, and that they should be regarded. This, he believed, would not be the case if the assumption took place. The rule of apportionment; for instance, for Georgia, was at the rate of one-nineteenth of the whole debts; she would pay the assumption agreeable to the rates of representation, which would be three parts of sixty-five of the whole debts. He thought it could not be injurious to postpone the assumption at the present day, and hoped it would not at any rate take place the present session.

Mr. MOORE.—I rise to answer my colleague (Mr. BLAND). He has mentioned, as one of the reasons which has determined him to vote in favor of the assumption, that the representation of Virginia in their State Legislature is unequal; from which circumstance he appears to think it not prudent to trust them with making provision for the payment of their State debts. He says the weight of property is in the eastern part of the State, the weight of legislative influence is from the western. He yesterday mentioned an instance in which the weight and influence of the western part of the State had occasioned a great deal of clamor and uneasiness. The case he mentioned is the act passed in that State, authorizing British creditors to sue for and recover the debts contracted previous to the war. Has the ground of complaint been, that the State has refused to pay a debt which was contracted by individuals? Or was it because they have complied with the treaty? If either of those are grievances, they are such as will not be redressed by this House. A compliance with the treaty was frequently recommended by Congress before the law passed; the present Congress have concurred in the measure; I believe it meets with the approbation of every member within these walls; I think it must meet with the approbation of every disinterested mind throughout the Continent. Sir, I cannot consider it as a grievance. If the observation of my colleague has any weight, it goes to prove that the State cannot be safely trusted with the power of Legislation in any case, and that the whole power ought to be vested in Congress.

My colleague has said that the greater part of the certificates are in the hands of citizens in the eastern part of the State; that their militia have been oftener called into service; they have furnished provisions in a greater proportion than the western; and he is afraid that the weight and influence of the western part of the State will prevent their being equitably redeemed. Sir, I believe supplies to the army have been furnished by the western part of the State in proportion to their property; I believe my colleague will not say that any militia in the State have more cheerfully served their country; I think they have not been wanting in patriotism, zeal, or exertions. But I will refer him to an act of the Legislature of Virginia, that will show the injustice of adopting the measure in a more forcible point of view.

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The Legislature of Virginia passed a law, I think four or five years ago, laying a duty on imports to be paid in certificates. The importer had the alternative of paying one-fourth or one-fifth of the sum in specie. Every citizen in the State, I believe, considered this as the only mode by which they were ever to be paid; they never contemplated any other provision for the purpose. Under the influence of a law of the State, they have sold them to the merchants for one-fifth of the nominal sum. They will be called on, by the proposition now before us, to pay the entire sum with interest. This I consider as an injustice to the citizens of every part of the State. I hope he will not be disposed to encounter those inconveniences from any ill-founded apprehensions of the State Legislature doing injustice.

Another reason he has displayed is, that numbers of the citizens have emigrated from Virginia to Kentucky, North Carolina, and Georgia. It would be unjust that the remaining citizens should pay the debt as far as respects Kentucky. The reason will equally apply to Pennsylvania, North Carolina, and other States. No more than one-third of the citizens of Kentucky are from Virginia. But, sir, it is well known that more have come into Virginia than have removed from it. When the seat of Government was under discussion, it was often mentioned that their numbers were considerably increased. I then thought my colleague concurred in the opinion, and considered it as an undeniable truth. Sir, I need only refer him to the returns of the militia, to prove that the numbers have increased, and from their increase in number they will pay the debt with more ease.

Mr. Chairman, gentlemen think it improper to point out particular instances in which the operation of the proposition will be injurious. I confess I am obliged, in order to make up my mind, to consider its consequences; how far States, how far individuals will be injured. I think it ought to be considered in a national point of view.

My colleague has said, he is not surprised that the members from the western part of the State should be opposed to the assumption of the State debts. The conclusion intended, I suppose, is, that they are influenced by the interest of the particular part of the State. Sir, if he had considered the situation of that country, he would easily have seen (especially Kentucky) that to assume the debts would be in their favor. No part of the duties proposed by the Secretary will be paid by the citizens. They will feel no part of the burthen; but if they are not assumed, they must pay their proportion by a tax.

I suppose they mean that some great, some important national advantage is to be acquired by it; that it ought to be contemplated in this view. In my opinion, no expedient will be so effectual towards giving the Government permanency as a strict adherence to justice; nothing will tend so much to secure national advantage or importance. A worthy member from South

Carolina has enumerated the services rendered by the citizens of that State. I know, sir, they have rendered important services; I know they were oppressed during the war; but they were not the only men who participated in those difficulties. The militia of North Carolina and Virginia were also engaged. Two of the instances he mentions prove to my mind fully the injustice of our assuming the State debts—the battles of King's Mountain and the Cowpens.

The militia of Virginia and North Carolina were engaged in both those. Indeed, if I am not altogether misinformed, and I think I am not, (my information is such as I can rely on,) that of King's Mountain was wholly fought by the militia of Virginia and North Carolina; at the Cowpens, the same militia composed the greater part of the troops. The gentleman says they have never been paid. How were the militia of Virginia paid? Sir, I remember drawing the pay, the sixteen pence per day, for some of those militia, in State paper money, when depreciated four, five, or six hundred for one. Is it just that the militia from Virginia, who have been thus paid (and I believe they have been generally paid in this manner) should now be called on to pay those of South Carolina, who have not been paid the principal, but have received the interest, the full amount of their claims in specie? I think it would be glaringly unjust. Sir, although I have confined my observations to a comparison of those two States, I think a similar injustice will take place in some degree through all the States.

Had this assumption taken place immediately after the war, it would have been more just. I believe some of the States, by their extraordinary exertions, have incurred a debt exceeding their just proportion; but there has been as great an inequality in the exertions of States to pay those debts. Sir, I have seen a law of South Carolina, directing the issue of two or three hundred thousand pounds in paper money, to be loaned to such of those of her citizens as would mortgage lands for the repayment of the principal and six per cent. interest. On submitting their title papers to examination, and their lands to a fair valuation, they were entitled to one-third of its value in the new emitted money on mortgage. If I am not mistaken in this law, or its operation, and I think I am not, although I mention it from a very imperfect recollection, the taxes collected in that State have not been applied to the payment of the debts contracted during the war, but have been diverted into a different channel; they have been applied to the discharge of this new created debt; and in the year 1791, the State will receive into her treasury the sum loaned to her citizens, with six per cent. interest. Sir, my colleague, some time ago, moved that the certificates which were redeemed, and in the possession of the States, should be funded in the same manner as those in possession of individuals: this was rejected. I suppose it is not in the contemplation of gentlemen to prohibit

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States from becoming purchasers hereafter, and funding agreeable to the proposition now before us. What will be the comparative situations of the States of South Carolina and Virginia? The one, having paid a considerable share of her debt, is to have no credit; the other, having paid no part, or very little, is to be aided by the other States in making the payment, while she lodges in her treasury the amount of five years' taxes. This has not the appearance of justice. Sir, I think the present question may be reduced to this—shall we suspend or delay the justice due to two States, for there are only two who complain; or shall we do an immediate act of injustice to others? Sir, gentlemen appear to be fully agreed to pay whatever balances may appear due on a final settlement of accounts. Is it not better to delay justice to some States, when they have every assurance of redress? Sir, when I consider the question in this view, I find no room for hesitating in my mind. I am clear for rejecting the proposition.

MR. WADSWORTH.—I confess, Sir, I almost begin to despair of the assumption of the State debts, and with that I shall despair of the National Government. As it is the fashion to hold up to view the interest of particular States, I shall, according to custom, offer some observations respecting the State of Connecticut. At the beginning of the war, we were out of debt, and our funds were in such a situation as enabled us to advance fifty thousand dollars for the exigencies of the war. The paper money received by that State for this sum from Congress did not net half that amount. At the close of the war, Connecticut owed nearly four millions of dollars; she has sunk about half that amount by excise and direct taxes, principally by the latter. She has no debt but what was incurred by the war, except about eight thousand dollars; and what remains to be paid was for National and State defence. To the officers and soldiers of the Continental army, she has paid and owes more than two millions of dollars, a sum considerably greater than her present debt. When the Quartermaster and Commissary General owed in Connecticut six hundred and forty thousand dollars, and had neither money nor credit, the State assumed that sum, which is part of the present debt; in most other States these debts were cancelled by a final settlement of a Continental Commissioner, and are no otherwise distinguished from State debts. The State of Connecticut has long since had its accounts against the Union examined by a Commissioner, who rejected every doubtful charge, and yet there remains about eight millions of dollars balance, after deducting every shilling the Continent had advanced the State. I consider the debt of the State of Connecticut now due as a real Continental debt of the most meritorious class, nor can I easily persuade myself to provide funds for the other Continental debts, and leave the citizens of Connecticut to groan under a direct tax (their only

resource) to pay a debt which they do not owe, but as sureties for the Continent. We have been sometimes told, when the interest of a particular State was in question, that if we did not comply with her wishes, she would throw herself into the arms of some foreign Power. I will not say this of Connecticut, there is no Power but the United States with which we wish for connexion; no foreign Power is our neighbor. We are firmly attached to the Union; but a direct heavy tax for the debts of the Union will be felt as unjust and oppressive, and may rouse the hardy spirits of Northern and Eastern freemen to a conduct incompatible with the peace, safety, and happiness of the General Government.

An argument has been drawn against the assumption from petitions on your table, Mr. Chairman. The petition of the tobaccoists has been mentioned in particular; if we are to admit petitions as arguments against a measure, we may as well give up all idea of laying any tax whatever; for I believe it will be granted that no tax can be proposed which may not be petitioned against.

I beg leave to remind gentlemen of a petition presented last session from a body of men, who, considered in relation to the community at large, are of ten times the consequence that the small body of tobaccoists are, however respectable in themselves. I refer to the petition from distillers and importers of molasses. Their petition was not noticed; the tax was laid, and is now collected, the petitioners see their error, and are satisfied.

The duty on salt has been mentioned. The duty laid last session was objected to; but salt was never so low in price, and if the proposed duty is laid, it will then be cheaper than it has been, on an average, for seven years past, to my knowledge. Gentlemen have contended that the measure is so important, that its adoption ought to be by the voice of a large majority; a bare majority will not satisfy our constituents. However desirable this may be, public bodies are often most divided upon the most interesting subjects, and if this idea is to prevail, there is an end of the great principle of a Republican Government, that the majority is to govern. On this principle, if a majority should decide against the assumption, I should think it my duty patiently to submit to the determination. We hear much upon the subject of general duties, that they fall heaviest upon the Southern States; they are not manufacturers, and a great consumption of luxuries takes place among the people in those States. Mr. W. asserted that the consumption of luxuries is much the greatest in the Eastern and Northern States, and stated a variety of particulars to prove the assertion; he appealed to the Southern gentlemen who had travelled into the Middle and Northern States for its truth.

The report of the Secretary of the Treasury has been objected to on account of its calculations; and the article respecting the Post Office

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has been mentioned. Mr. W. read that part of the report, and observed, that here we have the opinion of the Postmaster, and not a calculation of the Secretary. If there is an error, it is only in opinion, and the Secretary is not accountable for it. The opinion, however, appears to me to overrate the proceeds of the department upon the present plan. I do not, however, conceive that the estimate overrates what may be derived from this source. Seven-eighths of what may be produced from the Post Office is lost by letters being sent by private conveyance and under franks. Under proper regulations, I have no doubt but a larger sum than that mentioned by the Postmaster General may be realized. Mr. W. concluded by saying, that in every view of the subject, the justice and policy of the measure of making a Continental provision for these debts, is so apparent, that he could not but hope the affirmative of the question would be adopted.

Mr. BLAND, in reply to Mr. MOORE, said, I am extremely sorry, Mr. Chairman, that another worthy colleague of mine has rendered it necessary for me to rise in this debate, as I had flattered myself that my sentiments had been clearly expressed and fully understood when I spoke on it the day before yesterday, and explained to another of my worthy colleagues yesterday. I hope, however, the House will indulge me for a few moments in a question of this importance; when I seem to be personally called upon to vindicate my own opinions, and in the peculiar predicament of differing from nine of my colleagues. I shall confine myself entirely to answering the objections of the gentleman who spoke last: he too has taken notice of what I said respecting the weight of wealth lying towards the seacoast of Virginia, and the weight of legislative influence to the westward. This he has not denied; but says that the articles of the treaty for the payment of the British debts, contracted prior to the war, ought to have been complied with; that the honor of all America was concerned in complying with that article, and that therefore the gentleman could not complain of the Western influence in complying with the express desire of Congress, whose business it was to fulfil or see to the fulfilment of that treaty. Sir, I agree with him so far. I do not complain that my country passed an act for the fulfilment of the treaty entered into by the General Government; but, sir, I conceive that a treaty has two sides to it, and the stipulations on both sides ought to be literally fulfilled. When a clause was introduced into that act, to suspend the operation of it until the British Government should fulfil it on their part, that the compliance might still go on when this was claimed as a justice due to them by the debtors to the British nation, who lay in the track of the armies, who inhabited that part of the country towards the seacoast, who had been deprived of their negroes contrary to the treaty, and who were at the same time State creditors for supplies furnished the armies of the United

States. I ask that gentleman, whether this reasonable proposition for a suspension of the act, until Congress might have time to remonstrate with the British Government for their relief, was not violently opposed by the Western influence, who suffered none of these inconveniences; or but in a very small degree? Sir, that gentleman was present, and his candor will, I am sure, answer this question in the affirmative.

The gentleman acknowledges that the greater part of the services of the war, and of the supplies were drawn from the Eastern division of that State; but that the Western always held themselves in readiness when called on. In this I agree with him heartily. I know, sir, that there were no citizens in the United States better affected to the American cause than they were; but, sir, does this invalidate what I have said of the inequality of the burthens borne? I think not.

The gentleman next mentions the certificate tax, which was laid for the purpose of redeeming the certificates for supplies, militia services, &c.; and says, that as the certificates were to be paid in by the original holders, and those who were not original holders; and as this was the only mode in which the State could then pay the sufferers, they were content to receive for them what they could get. Sir, I will give a short history of this business. I own I am sorry to mention it, as it affects in some sort the credit of the State to which I belong; but I believe it will not be found singular. These certificates were to be redeemed in the manner the worthy gentleman mentions, by calculation, in four, five, or six years, I cannot exactly remember which: but having remained a long time previous to the act unnotified or unfunded, had fallen as low as one shilling and sixpence in the pound. This tax, in one or two years, appreciated them to three or four shillings. This appreciation was found too burthensome for those who were original holders; the tax was, as well as my memory serves, lessened; and when, at last, it was found that they were nearly extinguished or called in, they were made payable in the arrearages of taxes due for several years back, and thus never rose, until the last arrears were paid in, to more than four shillings in the pound; and thus was the property of those who furnished the armies of the United States reimbursed them.

Sir, I speak feelingly on this subject; I was one of the sufferers, my constituents are almost all sufferers in this mode. Sir, in what I say of myself, I wish not to be understood as influencing my conduct on this floor; I spurn the idea, if it should be entertained. On this floor, I hope I always act on enlarged and general principles.

Sir, the gentleman has mentioned what I said of emigration; and has asserted that, notwithstanding those emigrations, the number of inhabitants who were to pay taxes in Virginia had increased since the war, which he says on a former occasion I admitted to be the case. I am sure, sir, I have seen no documents to con-



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firm the gentleman's assertion, nor can I conceive that I ever assented to such an one (at the time the fixing on the seat of Government was in contemplation, or at any other time) as it respected Virginia; but I verily believe the fact to be otherwise, unless the gentleman assures me of it from proper documents.

The gentleman says, it is the interest of Kentucky and the Western country to assume the debt. If this be the case, sir, I am much surprised that their representatives should be found arguing so strongly against what they assert to be the interest of their constituents. But, sir, it does not become me to point out to them their duty; I therefore leave them to act in the manner they think right, not doubting but they will in the end do the best for their constituents, as I think I am doing for mine, and for the Union at large. I am so firmly persuaded of this, sir, that I am willing to risk what little reputation I am possessed of as a politician on the event; and not knowing the sense of my constituents on so important a subject, I shall venture to support the opinions I have advanced, keeping my mind open to conviction, and yielding to clear and unequivocal arguments when they are produced, that will show me when I am wrong.

I hope I have thus far exculpated myself from the charge, which seemed to be aimed at me, of having advanced opinions unfounded and erroneous.

I shall only take notice of one observation, with which the gentleman concluded: that in all political questions he should be governed in his vote by the principles of justice. I hope he will charitably suppose I am under the same influence. But, sir, I shall conclude that justice is due from Congress to the States, and to the citizens of the State. This can only be done by establishing credit on the broad and stable foundation of public faith to the creditors of the United States of every denomination.

Mr. SMITH, of South Carolina.—The last gentleman from Virginia, (Mr. MOORE,) he said, had altogether mistaken the law of South Carolina he had noticed, and its operation. That law was intended to create a medium of circulation by way of loan or mortgage; one hundred thousand pounds were emitted for that purpose, all the specie of the country having been exported, and the citizens greatly distressed for the want of a medium. Mr. S. then read the preamble of the law and some of the clauses, to prove what he had said. Of the above sum not more than about sixty thousand pounds circulated in South Carolina, the remainder having found its way into the neighboring States.

The gentleman was equally misinformed, when he observed that the taxes levied in that State had not been applied to the discharge of its debts, but had been diverted into a different channel. Mr. S. read a statement from the report of a Committee of Finance, to show that taxes had been imposed from 1784 to 1789, to the amount of above 300,000 dollars annually,

for the express purpose of paying the interest on the debt contracted by the war; and that during that period upwards of a million and a half of dollars had been sunk of the principal of the debt by sales of land, &c. South Carolina had therefore made as great exertions for the discharge of her debt, since the peace, as Virginia. With respect to the militia of Virginia having been paid in money greatly depreciated, had not the citizens of South Carolina been likewise paid in the same manner? Had not some of the militia been also obliged to sell their indents at two shillings in the pound? How, then, could it be said, with any propriety, that the militia of Virginia were to be taxed to pay the debts of those of South Carolina? Had not the latter been heavily taxed ever since the war? And would they not be crushed with further taxation, if the assumption was negatived? It has been said, by the gentleman from Georgia that the Southern States contributed more to the impost than the Northern: was not that a strong argument why the assumption would be favorable to those States? It was generally acknowledged that the Continental debts were chiefly in the hands of persons dwelling to the northward of the Potomac; the greatest proportion of the State debts, on the contrary, was on the south of that river. If, therefore, the Southern States paid the greatest part of the revenue, was it not for their advantage that the assumption should take place, by which means the State creditors would draw back, in payment of their interests, a proportion of that impost, which otherwise would go altogether into the pockets of the Continental creditors? It was undoubtedly an injury to the States which contributed most to the impost, to be drained of their resources to pay persons who resided in those States which contributed least. The objections to the various articles reported by the Secretary did not apply in this stage of the business. That report was calculated to satisfy the House that the State debts could be funded without resorting to direct taxation; it was in the power of the House, when the funds were under consideration, to reject those which should be found injurious, and to substitute others. He could not agree, however, in the remark that persons interested in a particular branch of trade or manufacture were to be believed in preference to the Secretary, who was disinterested; nor could he understand the inconsistency of the petition alluded to, which in one part set forth that the duty would be oppressive to them, and in another that it would produce nothing to the revenue. He believed that there was no possible object of revenue against which the parties interested might not complain. As to the amendment from North Carolina, the member from that State had himself declared that he would not undertake to say the Convention meant to guard against the assumption, but that the words carried that meaning. This might be true, and yet the amendment could not apply,

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because the House had been told the assumption was never thought of in that State at the time the amendment was framed. It had been said, that as North Carolina was against the assumption, it was a sufficient reason why it should not be agreed to. This was an extraordinary declaration, when it was remembered they had been told that South Carolina being desirous of it was no reason why it should be adopted, and that the inclination of one State should not prevail with Congress. Surely, there was as much reason why it should be agreed to if one State was in favor of it, as that it should be rejected because one State was against it. The Secretary, it had been said, seemed to think that a settlement was an event that would not certainly take place. The settlement, with or without an assumption, would unquestionably be attended with difficulty; and the Secretary expressly remarks, that there is no objection which can be made to a settlement after the assumption, which does not apply with equal force to any settlement prior to it.

The committee rose, and reported progress.

FRIDAY, April 2.

Being Good Friday, the members adjourned without doing any business.

SATURDAY, April 3.

USEFUL ARTS.

The amendments of the Senate to the bill for promoting the progress of useful arts, were taken up, and all but one agreed to, which related to investing the Judges of the Supreme Court with a power to determine the compensation which persons shall receive for their inventions, &c.

Mr. SHERMAN moved for leave to bring in a bill to authorize the Secretary of State to appoint an additional clerk in his office.

MONDAY, April 5.

COLLECTION OF DUTIES.

The House resolved itself into a Committee of the whole on the bill further to suspend part of the act to regulate the collection of duties, &c. Mr. LIVERMORE in the chair. No amendment being offered to the bill, the Committee rose, and reported the bill to the House. It was then ordered to be engrossed for a third reading.

AMENDMENTS TO THE CONSTITUTION.

A communication was received from the President of the United States, informing the House that the Legislature of New York had ratified certain amendments proposed by Congress to the Constitution of the United States.

The Senate, by message, informed the House that they had receded from their tenth amendment to the bill to promote the progress of useful arts.

RELIEF OF OFFICERS.

Mr. BURKE, from the committee appointed

for the purpose, presented a bill for the relief of a certain description of officers therein mentioned; which was read the first and second time, and committed.

PUNISHMENT OF CRIMES.

The House went into Committee on the bill sent from the Senate, for the punishment of certain crimes against the United States, Mr. LIVERMORE in the chair.

The clause which provides for the dissection of the bodies of malefactors, it was moved should be struck out.

This, it was said, was wounding the feelings of the living, and could do no good.

It was said, in answer, that it was only following a mode adopted by some of the wisest nations. It was making those who had injured society to contribute to its advantage by furnishing subjects of experimental surgery. It was attended with salutary effects, as it certainly increased the dread of punishment, when it is contemplated with this attendant circumstance.

Mr. STONE was opposed to the clause. He said it was contrary, he believed, to the practice of the several States; that it was making punishment wear the appearance of cruelty, which had a tendency to harden the public mind.

Mr. WILLIAMSON stated a variety of arguments in favor of the clause—and showed the very great and important improvements which had been made in surgery from experiments.

Mr. PAGE spoke against the clause. And Mr. SMITH and Mr. SEDGWICK in favor of it. The committee rose without deciding; and the House adjourned.

TUESDAY, April 6.

TIMOTHY BLOODWORTH, another member from North Carolina, appeared and took his seat.

The engrossed bill further to suspend the collection law was read the third time and passed.

BARON STEUBEN.

A report from the Secretary of the Treasury on the memorial of the Baron de Steuben was read a first and second time, and committed to a Committee of the whole.

PUNISHMENT OF CRIMES.

The House went again into a Committee on the bill for the punishment of certain crimes against the United States, Mr. LIVERMORE in the chair.

The motion for striking out the clause respecting the bodies of murderers being delivered to surgeons after execution for dissection was further debated. A number of gentlemen spoke on each side of the question. The affirmative was supported by Messrs. PAGE, HEISTER, JACKSON, STONE, TUCKER, CLYMER; the negative by Messrs. HUNTINGTON, MADISON, SMITH, of South Carolina, SEDGWICK, WILLIAMSON, and AMES; and the motion being put, was negatived.

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*Indian Affairs.*

[H. OF R.]

Several other motions for amendments were negatived; and the committee rose without finishing the discussion of the bill.

WEDNESDAY, April 7.

A member from South Carolina presented a letter addressed to him from John H. Mitchell, of said State, with proposals from Matthew Boulton, of Great Britain, for supplying the United States with copper coinage. Referred to the Secretary of State.

#### PUNISHMENT OF CRIMES.

The House went again into a Committee on the bill for the punishment of certain crimes against the United States, Mr. LIVERMORE in the chair.

Several sections of the bill were discussed.

The clause which enacts that counterfeiting the securities of the United States, or uttering counterfeits knowingly, shall be punished with death, by being hanged, it was moved, should be amended, by striking out the words "punished with death by being hanged," to admit a less punishment for uttering or passing than for counterfeiting. The degrees of criminality in the two cases were accurately defined by Mr. SHERMAN.

Mr. SEDGWICK observed, that he thought the degrees of punishment ought to be proportioned to the malignity of the offence. He enlarged on the pernicious consequences of counterfeiting. He considered it as a crime against the most important interests of society, and of a peculiarly in malignant tendency in the present and probable situation of the United States. Persons addicted to forgery are seldom, if ever, reclaimed—the security of the society, therefore, appears to depend on a capital punishment. The idea is strengthened when we reflect on the mischief and ruin which have already ensued from forgery.

Mr. S. afterwards conceded to the clause as it stood.

Mr. FITZSIMONS was opposed to the motion. He adverted to, the practice and experience of Great Britain: the injurious and fatal consequences to credit which result from forgery are considered in England in so serious a point of light, that the bank pays notes which they know to be counterfeit. Hence the inexorable rigor of the laws of that country in cases of forgery. He could not see so clearly, as some gentlemen appear to see, the difference between forging, and simply uttering what is known to be counterfeit—the mischief is not completed till the forgery is uttered. He enlarged on the idea of guarding public paper by every possible expedient.

Mr. WHITE observed, that he was opposed in general to inflicting death, except for murder, or crimes which might terminate in murder; but, in the present case, he thought there were degrees of guilt, and the punishment ought to be proportioned; he was, however, opposed to a capital punishment in this case, as he conceived it would tend to prevent convictions.

Mr. SHERMAN said he had known persons who had been convicted of this crime, that had afterwards reformed.

Mr. SMITH and Mr. BURKE were opposed to the motion. They severally dilated on the injuries which society was liable to from the ingenuity of these unprincipled persons; the extreme difficulty of guarding against their depredations rendered it highly expedient they should be cut off.

The vote being taken on the motion, it was negatived, and the clause retained.

Further progress was made in the discussion; but the committee rose without going through the bill.

THURSDAY, April 8.

#### PUNISHMENT OF CRIMES.

The House again resolved itself into a Committee of the whole on the bill for the punishment of certain crimes against the United States, Mr. LIVERMORE in the Chair. Some further discussion took place on this bill; but not being got through, the committee rose and again reported progress.

FRIDAY, April 9.

Mr. GOODHUE presented a memorial from sundry merchants and traders of Newburyport, setting forth the inconveniences under which they labor from the operation of the laws of the United States, and praying relief. Referred to the Secretary of the Treasury.

Another petition was presented from the proprietors of the Beverly Cotton Manufactory, praying for the patronage of Government, and that an additional impost may be laid on the importation of cotton goods. Referred to a select committee.

Mr. BENSON, from the committee appointed on the subject, made a report concerning the future supply of newspapers to the members of Congress, which was laid on the table.

#### PUNISHMENT OF CRIMES.

The House again went into a Committee on the bill for the punishment of certain crimes against the United States, Mr. LIVERMORE in the Chair. The committee having made several amendments to the bill, reported it, as proposed to be amended. The amendments were agreed to by the House, and the bill was ordered to be engrossed for a third reading.

SATURDAY, April 10.

#### PUNISHMENT OF CRIMES.

The bill for the punishment of certain crimes against the United States was read the third time and passed.

#### INDIAN TRIBES.

The House resolved itself into a Committee of the whole on the bill to regulate Trade and Intercourse with the Indian Tribes. Mr. LIVERMORE in the Chair.

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*Public Debt.*

[APRIL 12, 1790.]

Mr. SCOTT offered a few general observations on the subject, and after pointing out the importance of competent regulations to secure the peace of the frontiers, and to impress the minds of the Indians with friendly sentiments towards the people of the United States, said, that to effect these important objects, great care and information are necessary in order to form an adequate system. The bill did not come up to his ideas fully, he therefore suggested the propriety of sending the bill to the Senate, who, not being crowded with business just now, would have time to form a more perfect plan than the House has time to make.

A motion was made, that the Committee rise; but this being objected to, the motion was withdrawn.

The first paragraph in the bill provides for the appointment of a Superintendent, who is to be a military officer.

It was moved that the clause which contains this restriction should be struck out.

The motion was supported by the following observations: It was said to infringe the power of the President, and in that view to be unconstitutional; that it may counteract the essential interests of the people, by precluding the President from appointing perhaps the most proper character in the United States; that persons in civil life may be found fully competent to the business, many such possessing a perfect knowledge of Indian affairs. The military duty of an officer is sufficient to engage his attention, but this bill will convert him into a mere trader and speculator. Further, it was said, that it blended the civil and military characters, which was unconstitutional.

In objection to the motion, it was observed, that a military character is the most suitable, being amenable to a court-martial, and therefore the most easily called to account; that such will probably have the greatest influence with the Indians. As to the constitutionality of the question, it is evident that the President and Senate are restricted in their appointments of officers in several other departments. The Attorney-General must be a person learned in the law, or, in other words, a lawyer, &c.; and as it is not to be expected that any person would be contented to go and reside in the Indian country, who is debarred from carrying on commerce, as is contemplated by the bill, it follows that military officers are the only proper characters to be appointed.

Mr. SCOTT proposed a full substitute for the clause under debate, which induced a motion for the Committee to rise and report progress, which motion was carried in the affirmative.

Mr. FITZSIMONS then moved that the Committee of the whole should be discharged from any further consideration of the bill, and that it be recommitted to a select committee. After considerable debate, this motion was negatived.

The Committee reported progress, and had leave to sit again.

MONDAY, April 12.

## PUBLIC DEBT.

The House again resolved itself into a Committee of the whole on the Report of the Secretary of the Treasury. Mr. LIVERMORE in the chair.

The proposition for assuming the State debts was again read.

Mr. SHERMAN.—When I see the House so equally divided on an important subject, it gives me great concern on account of the threatening aspect it has on the peace and welfare of the Government.

The support of public credit by a provision for doing justice to the creditors of the United States, was one great object that led to the establishment of the present Government; and should it fail of doing justice to so great a proportion of them as are involved in this provision, it would lose the confidence of many of its best friends, and disappoint the expectations of the people in general.

I consider the debts incurred by the several States in support of the war, and for the common defence and general welfare, as the debts of the United States, and that those creditors have as just and meritorious a claim on the Union for payment as any creditors whatever. A great part of them were assumed by the States in behalf of the United States, in consequence of requisitions of Congress.

I shall not now go into a particular discussion of the proposition before the committee, (every thing having been already said that may reflect light on the subject,) but shall only state the reasons on which I shall give my vote in the affirmative.

The measure appears to me both just and politic. Just, with respect to the creditors, whose debts are due for services and supplies rendered in support of the common cause of the Union, which, therefore, ought to be paid out of the same common funds as the other creditors of the United States, and although some of the States would be able to provide for their creditors as well as the United States, yet that is not the case as to those whose exertions, sufferings, and burthens have been much greater than the others, and it would not give satisfaction to assume the debts of some States, and not of others.

The measure will be just with respect to the several States, because each will bear only its just proportion of the present burthen; and their past exertions and expenditures will be equitably adjusted in the final settlement of their accounts, for which effectual provision is to be made by the same act that provides for the assumption of the debts.

The policy of the measure consists in its tendency to promote justice and harmony, and confidence in the Government, in alleviating the burthens of a number of the States, who, from their situation and circumstances during the war, were necessitated to make greater ex-

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entions, and were subjected to greater sufferings and expenditures than the other States, and by putting all the funds necessary for paying the debts under one direction, to facilitate the collection and render them more productive and less embarrassing to commerce. The principal resource for pay (the impost) is in possession of the General Government.

But if the State debts are not assumed, the States which have heretofore borne the greatest burthens will be left still to sustain those unequal and grievous burthens, or their creditors will be left without any provision for satisfying their claims, either of which would be unreasonable, and occasion great uneasiness, which will tend to embarrass and obstruct the measures of Government.

It has been said, let those States wait until their accounts with the United States shall be settled, and then receive security for the balances that may be due to them. But why should those States be subjected to greater burthens at present than the other States? As it is not known which are debtor or creditor States, why not bear the burthen equally until that can be ascertained? If there is to be no settlement, I think it is a conclusive argument that the whole public debt should be assumed by the United States. It ought to be presumed that the States have made exertions according to their abilities, and in due proportion, until the contrary appears, and that can no otherwise appear but by a settlement of the accounts; and until that is done, I can see no good reason why any State should bear more than its just proportion of the existing debts, whether contracted by the United States, or by the individual States, if incurred for the common defence, or general welfare of the Union. It is said, there is no rule established to ascertain the quotas of the several States; but I think the rule is fixed by the resolutions of the late Congress, of the 23d of November, 1777, and the third of June, 1784, and the provision in the new Constitution for apportioning direct taxes.

Several other gentlemen spoke on the occasion, and various motions were offered to modify the proposition, but they were all rejected; and the question for the assumption being put was negative; thirty-one voting against, and twenty-nine in favor of the proposition.

After the question relative to the assumption of the State debts had passed in the negative,

Mr. SEDGWICK rose and said, I now consider the question of the assumption as ultimately negatived. We are, then, in my opinion, in a situation most solemn and serious. In the name of the People of Massachusetts, who have honored me with a seat in this House; in whose behalf my colleagues and myself have united in representing their services and sufferings, do I address you. We have demanded justice; we have implored the compassion of the Representatives of the People of America, to relieve us from the pressure of intolerable burthens; burthens incurred in support of your freedom and

independence. Our demands and entreaties have both been ineffectual. Feeling as I do, on this important occasion, I shall stand justified to myself, and I trust to the candor of every other gentleman, in what I am about to declare. During the war, the Government of Massachusetts, the corporations and the people, all united in straining every nerve in support of the common cause. To the remembrance of every friend of his country, I appeal. To your public officers, and to the men conversant in the transactions of that day of anxiety and distress, I appeal, for the evidence of that noble and disinterested enthusiasm, of those exertions and services, which were then as important as was your escape from slavery. Exertions and services which were then acknowledged; and however they may be now forgotten, or disregarded here, believe me they will long be remembered within that State. Is there a man who does not believe the exertions of Massachusetts, compared with her ability, were at least equal to those of any of the States? This has not, and I presume will not be denied; was she less frugal? It is not pretended. Does it not, then, follow, irresistibly, that the excess of her debt must have been contracted for national purposes? Is there any one who supposes that what they denominate the National Debt, can be securely funded, without invading those objects of revenue, which are now appropriated for the support of public credit in that State? Can it be believed that the Government or the people there will voluntarily submit to sacrifice the interests of twenty thousand men, who adventured their lives and estates in the common cause? Shall the first operations of this Government which I fondly hoped would move on national ground, and regulate its conduct by enlarged and liberal policy, be the impoverishment of such, and so many honest, confiding citizens?

Independent of the assumption, there is not, in my opinion, the least reason to believe a settlement of the accounts of the individual States with the United States will ever take place. The offer of justice on that contingency, is, therefore, little more than pretence on one side, and I can assure gentlemen is felt to be little less than mockery on the other. All these things make a deep impression, nor will they easily be erased from the memory. It only remains, that I express directly the purpose for which I rose, which was to warn, solemnly warn, gentlemen of the dangerous consequences, in the progress of this business, of invading those funds which are pre-occupied by that State. Let them, then, proceed and see whether, without such violent and unjust invasion, it will be practicable to procure the necessary objects of revenue.

While Mr. SEDGWICK was speaking,

Mr. PAGE called him to order, and reminded him of the great impropriety of his rising on the floor of the committee, and remonstrating against the solemn vote of that committee, which had

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just been entered on the Journals. He added, it was strange the gentleman could not have patience till the Report of the Committee should come before the House, when he might renew the motion for the assumption which he had so much at heart. Some members, however, calling out "hear him," Mr. SEDGWICK went on; when he sat down, Mr. PAGE rose, and moved that the committee might rise, as he thought it highly improper it should sit merely to hear passionate remonstrances against its proceedings.

Mr. JACKSON also made some spirited strictures to the same purpose, on Mr. SEDGWICK'S speech.

Mr. GERRY then offered a resolution, that that part of the Secretary's Report relative to the State debts be referred to a committee to consist of a member from each State.

This motion was laid on the table for further consideration, agreeable to the rules of the House.

The committee rose, and reported progress.

TUESDAY, April 13.

Mr. VINING, from the committee appointed for the purpose, presented a bill supplemental to the act for establishing the salaries of the Executive officers of Government, with their assistants and clerks, which was read a first and second time and committed.

GENERAL POST-OFFICE.

The House resolved itself into a Committee of the whole on the bill for regulating the Post-office of the United States, Mr. LIVERMORE in the chair.

Mr. WILLIAMSON observed, that according to the best calculation he could make, the income of the Post-office upon the system of the bill, so far from producing the revenue which had been contemplated, would not yield sufficient to support itself; he, therefore, moved the bill should be recommitted to a select committee; that the information received since the bill had been reported might be improved to render it less defective.

Mr. BOUDINOT and Mr. FITZSIMONS were in favor of the committee's rising, in order to recommitting the bill; the motion, however, being objected to, was withdrawn.

The clause which empowers the President of the United States to establish post-offices and post roads, it was moved should be struck out.

The motion was supported by saying, that this is a power vested in Congress by an express clause in the Constitution, and therefore cannot be delegated to any person whatever; the objects that are connected with this power are of great weight in themselves and are properly cognizable by the Legislature of the Union only. The words after some debate were struck out.

The principle of farming the cross-roads was objected to by Mr. SMITH (of S. C.) the idea of farming, said he, is new in this country; it is

indicative of weakness in the Government. If the Government make a sale of the income of an office which falls below the value, there is so much lost to the public; if the sale is above the value, the farmer must indemnify himself by extortion. He moved that the whole clause respecting farming should be struck out.

Mr. BOUDINOT observed, that the idea of farming as contained in the bill, has reference only to cross-roads, in general, post-offices in those roads cannot be supported by the United States, but at a loss. Still, for the accommodation of the inhabitants in particular places, the Postmaster General should be empowered to establish such post-offices as may conduce to their convenience provided the Continent was put to no expense; the inhabitants have, therefore, on being allowed the postage of the letters, established such post-offices. But there appears to be a propriety that the Postmaster General should farm out those cross-roads, which may be productive.

Mr. AMES advocated the clause. He observed that Great Britain, in consequence of farming the post-office, had made the income prodigiously productive. The general objections to farming, he admitted, were well founded, but the present object was, perhaps, the least exceptionable of any that can be mentioned.

The motion for striking out this clause was negatived.

Sundry blanks were filled up, and considerable progress made in the discussion of the bill.

The committee rose, and reported progress.

WEDNESDAY, April 14.

NEWSPAPERS.

The House proceeded to consider the report of the Select Committee as to the mode of supplying the members of Congress with newspapers in future.

The report being read,

Mr. SHERMAN moved that the report be accepted.

Mr. GERRY observed, that a free press is of the greatest importance to the people, and all proper encouragement ought to be given it; that the practice of Congress, in taking the newspapers upon a liberal plan, conducted to this object; that the most beneficial consequences had resulted to the Government from that information which their constituents had received through this medium. Gentlemen have observed, that persons at the seat of Government derive an advantage from the early intelligence which that circumstance enables them to obtain. But it will not be denied that all parts of the Union have as good a right to political intelligence as the spot where Congress happens to be; no mode of conveying this intelligence can be devised which is attended with so much facility as this; and no citizen can grudge the expense; it does not amount, perhaps, to more than the fraction of a farthing, on an average. The information conveyed through this channel has afforded the greatest satisfaction to our



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constituents; it is expected from us, and is what they have a right to have. And so great has been the anxiety on some occasions for news from Congress, in some of the towns in the Eastern States, that I have been informed that half a dollar has been given for a newspaper. In the last session of Congress complaints were made of the partiality and misrepresentations of the printers, and justly. In their accounts of the debates, some of the members were held up in a ridiculous point of light, and great injustice was done through the inaccuracy of those partial publications. This session matters have been better conducted; the debates have been more impartially handed to the public—the printers publish on both sides, and are willing to correct their mistakes. If no other advantage was to be derived from a general encouragement, this freedom and impartiality being obtained, is a sufficient indemnification for the trifling expense. If one or two printers only were to have public encouragement, or the exclusive printing of newspapers for Congress, it would preclude the public, in all probability, from that full and impartial information to which they are entitled; it would tend to giving the House an undue control over the press, or perhaps make it the tool of a party. Mr. G. made many other remarks, and concluded by observing, with respect to any saving to the public, the expense was so trifling, compared to the advantage, that he thought it a very contemptible object of economy, in a national point of view; and moved to reject the clause which proposed that Congress should not be supplied with any more papers at the public expense.

Mr. BENSON said, he hoped the resolution would be agreed to with an amendment, which he moved, by striking out what relates to supplying the Senate; he was for leaving that part of the business to themselves. He gave a short account of the origin of Congress being supplied with papers. Under the old Confederation, he said, Congress was considered as a diplomatic body; the members were amenable to the States who sent them: Congress could not compel their punctual attendance. Hence the expedient of taking the papers to keep the members together from the time of meeting till they formed a House. But he observed this did not apply to the present Congress, who are a differently organised body, and the introduction of newspapers interrupted public business. He adverted to the odd appearance the charge must make in the account of public expenses.

Mr. SMITH, of South Carolina, offered a variety of observations to show the ill policy of adopting the report; enlarged on the advantages derived to the people from the diffusion of the information contained in the newspapers which were transmitted by the members.

Mr. SHERMAN observed, that he did not particularly recollect the origin of Congress taking the newspapers, but the punctuality of the members at present rendered any such expedient unnecessary. He objected to the papers

being read in Congress; but if it is thought necessary that Congress should be supplied with the papers as heretofore, the members may receive them at their lodgings, and there they may read them before they come to Congress. As to the observation, that the printers are more impartial this session than they were the last, he did not think there was much in that. He thought they had always aimed to be impartial; he conceived it was for their interest to be so. It is true they are liable to commit errors, and some have been printed in the debates: but when they have been pointed out, they were willing to publish corrections, and in many cases have done it. He did not think that the members sending the papers to their constituents conducted to so much to diffuse information as the republications which took place in consequence of the printers sending their papers to each other. This answered the purpose to much greater extent.

The first part of the said report, in the words following, to wit: "That the said accounts ought to be deemed as a part of the contingent expenses of the session, and to be audited and paid as such," was, on the question put thereupon, agreed to by the House.

The second part of the said report, in the words following, to wit: "That there be no further supply of newspapers for the use of the members of either House of Congress, at the public expense," was, on the question put thereupon, disagreed to by the House.

#### TERRITORY SOUTH OF THE OHIO.

A message from the Senate informed the House that they have passed a bill for the government of the Territory of the United States south of the river Ohio, to which they desire the concurrence of the House.

The House again went into a Committee on the bill for regulating the Post-office of the United States, Mr. LIVERMORE in the chair; and after spending some time upon it, rose and reported progress, and had leave to sit again.

THURSDAY, April 15.

The bill from the Senate, for the government of the Territory of the United States south of the river Ohio, was read a second time and committed.

The SPEAKER laid before the House a report from the Secretary of State, on the letter of John H. Mitchel, proposing to supply the United States with copper coinage; which was ordered to lie on the table.

#### NATIONAL MINT.

*Ordered*, That the Secretary of the Treasury prepare, and report to this House, a proper plan or plans for the establishment of a National Mint.

#### PUBLIC CREDIT.

Mr. GALE moved, that the House do now resolve itself into a Committee of the whole on the report of the Secretary of the Treasury, relativ

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to a provision for the support of the public credit. The motion being seconded, occasioned a debate. Some gentlemen wished the committee to be discharged from further proceeding on the report, till a plan of accommodation should be agreed to, in respect to the assumption of the State debts. The House were warmly agitated on this subject for a considerable length of time. Several members were called to order, and a variety of motions respecting order were made. At length the yeas and nays were called for, and taken, and were as follows:

YEAS.—Messrs. Ashe, Baldwin, Brown, Carroll, Clymer, Coles, Contee, Fitzsimons, Floyd, Gale, Griffin, Hartley, Hathorn, Heister, Jackson, Lawrence, Lee, Madison, jun. Matthews, Moore, Muhlenberg, Page, Parker, Rensselaer, Scott, Seney, Sinnickson, Smith, of Maryland, Sumpter, Tucker, White, Williamson, and Wynkoop.—33.

NAYS.—Messrs. Ames, Benson, Bland, Bloodworth, Boudinot, Burke, Foster, Gerry, Gilman, Goodhue, Grout, Huntington, Leonard, Livermore, Partridge, Sherman, Sylvester, Smith of S. C., Sturges, Thatcher, Trumbull, Vining, Wadsworth.—23.

The House accordingly resolved into a Committee of the whole on this subject, Mr. LIVERMORE in the chair.

The proposition for effecting a modification of the public debt being read, Mr. SENEY moved to strike out the clause which relates to the debts of the particular States. This motion was seconded by Mr. PARKER. MESSRS. SHERMAN, GERRY, AMES, and BLAND, spoke against the motion. MESSRS. WHITE and SENEY in its support; but the committee rose without coming to a decision.

FRIDAY, April 16.

A petition from the manufacturers of Mustard in the city of Philadelphia, was presented, praying for an additional duty to be imposed on that article; and one from the manufacturers of Tobacco and Snuff in the town of Baltimore, for the like purpose. All were referred.

Ordered, That a Committee be appointed to prepare a bill or bills for mitigating or releasing the forfeitures and penalties accruing under the Revenue Laws in certain cases; and that Messrs. BOUDINOT, GOODHUE, and HUNTINGTON form said Committee.

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The order of the day being called for on the report of the Secretary of the Treasury, Mr. FITZSIMONS said, he wished a suspension of the motion while he read a proposition which he meant to offer for the consideration of the House. It was in substance as follows, viz:

That a Committee be appointed to devise a plan for the assumption of debts, payable by the respective States, and a mode of paying the interest thereon; also to provide for the speedy and effectual settlement of accounts between the United States and individual States.

This motion being objected to, as informal, it subsided, and the House went into a Committee of the whole.

The motion for striking out the clause respecting the State debts in the proposition for effecting a new modification of the domestic debt, was carried in the affirmative.

The proposition for opening a loan on the first plan was then read; when Mr. BOUDINOT moved that the words,

“To receive the other third in lands in the Western Territory, at the rate of 20 cents per acre,” should be struck out; and proposed a substitute similar to that which he offered in the former discussion of this subject.

This motion occasioned a debate which lasted till 3 o'clock; and the vote being taken, the motion was negatived. The Committee then rose, and the House adjourned till Monday.

MONDAY, April 19.

JOHN STEELE, another member from North Carolina, appeared and took his seat.

The report of the Secretary of the Treasury on the memorial of the Baron Steuben, was read a second time. This report was lengthy; the reading and discussion employed the attention of the House this day. The result was the adoption of a motion introduced by Mr. GERRY, “That a Committee be appointed to report a bill, or resolutions, in conformity to the report of the Secretary of the Treasury.” The Committee appointed consisted of Messrs. GERRY, WADSWORTH, VINING, LAWRENCE, and SMITH, of South Carolina.

TUESDAY, April 20.

PUBLIC CREDIT.

A Committee consisting of Mr. FITZSIMONS, Mr. WILLIAMSON, Mr. SMITH, of Maryland, Mr. SCHUREMAN, and Mr. STURGES, was appointed to ascertain what further measures are necessary to be adopted to effect a speedy settlement of accounts between the United States and individual States, and to report to the House.

The House then again resolved itself into a Committee of the whole on the report of the Secretary of the Treasury, Mr. LIVERMORE in the Chair.

The proposition to fund two-thirds of the debt at 6 per cent. per annum, and to receive the other third in lands, was read.

Mr. GERRY, after premising, that as the Committee were on the ground of non-assumption, they could not with propriety, in his opinion, engage to pay six, five, or even four per cent. on two-thirds of the debt, moved that six per cent. be struck out, in order to admit a less rate of interest. This motion was supported by Mr. SMITH, of South Carolina, and opposed by Mr. JACKSON, Mr. FITZSIMONS, Mr. MADISON, and Mr. WHITE. The question being taken, the motion was lost, and the proposition agreed to.

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*Benjamin Franklin.*

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It was then proposed to restore the second alternative, which had been rejected, viz:

To have the whole sum funded at a yearly interest of 4 per cent. irredeemable by any payment exceeding five dollars per annum on account both of principal and interest; and to receive as a compensation for the reduction of interest, fifteen dollars and eighty cents, funded at the like interest and rate of redemption.

But before any decision was come to, the Committee rose, and the House adjourned.

WEDNESDAY, April 21.

The engrossed bill for the relief of a certain description of officers therein mentioned, was read the third time, and passed.

Mr. GOODHUE, from the committee to whom was referred the petition of the proprietors of the Beverly Cotton Manufactory, made a Report, which was read and committed.

#### PUBLIC CREDIT:

The House again went into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. LIVERMORE in the chair.

The second alternative (as stated yesterday) was then read; when it was moved to strike out "five dollars," in order to admit a larger sum, so that the redemption of the principal should take place at an earlier period than that proposed. This was agreed to, and "six" inserted.

The proposition being amended to read as follows, was agreed to:

"To have sixty-six and two-thirds dollars funded immediately at an annuity or yearly interest of six per cent. irredeemable by any payment exceeding six dollars and two-thirds of a dollar per annum, on account both of principal and interest; and to have, at the end of seven years, thirty-three dollars and one-third of a dollar funded at the like interest and rate of redemption."

Mr. SHERMAN then proposed to modify the resolution so as to admit of the following proposition:

"That the debts contracted by the several States for the common defence and benefit of the Union, ought to be considered as a part of the domestic debt of the United States. That proper provision ought to be made for the immediate debt of the United States; and that the faith of Government ought to be pledged to make provision, at the next session, for so much of the debts of the respective States as shall have been subscribed upon any of the terms expressed in the last resolution; provided that subscriptions shall not be received for a greater amount, than the following sums, viz."

[Here the names of the several States were inserted without any sums.]

"That the remainder ought to be left to the respective States to provide for, until a final settlement of their accounts with the United States, for which settlement effectual provision ought now be made."

"Provided, that no debts be assumed but such as

have been liquidated in specie value, and evidenced by notes or certificates issued by authority of the respective States, for the \_\_\_\_\_ day of \_\_\_\_\_, 1790.

"And if the creditors of any State shall not subscribe to the amount of the debt of such State to be assumed as aforesaid, such State shall receive interest at the rate of four per cent. per annum, on the remainder of said sum, until a final settlement of its accounts with the United States, to be applied to the payment of interest to its non-subscribing creditors, for, which, and for the sums that may be assumed, the respective States shall be accountable to the United States."

Mr. SHERMAN being called upon to ascertain in what proportion he meant to fill up the blanks, read the following as a statement of the debts owing by the States, and the proportions he wanted to have assumed.

*Assumption of the State Debts not exceeding the sums in the last column. Due as per Secretary's Report.*

<i>Sums to be assumed.</i>	<i>DOLLARS.</i>
New Hampshire - - -	300,000 - 300,000
Massachusetts - - -	5,226,801 4,000,000
Connecticut - - -	1,951,173 1,600,000
New York - - -	1,167,575 1,000,000
New Jersey - - -	788,680 750,000
Pennsylvania - - -	2,200,000 2,000,000
Delaware - - -	- 100,000
Maryland - - -	800,000 750,000
Virginia - - -	3,600,743 3,000,000
North Carolina - - -	- 1,600,000
South Carolina - - -	5,386,232 4,000,000
Georgia - - -	- 200,000

\$19,300,000

These resolutions were opposed with as much spirit as the original proposition for the assumption. The committee rose without coming to a vote on them.

THURSDAY, April 22.

BENJAMIN FRANKLIN.

Mr. MADISON rose, and addressed the House as follows:

Mr. Speaker: As we have been informed, not only through the channel of the newspapers, but by a more direct communication, of the decease of an illustrious character, whose native genius has rendered distinguished services to the cause of science and of mankind in general; and whose patriotic exertions have contributed in a high degree to the independence and prosperity of this country in particular; the occasion seems to call upon us to pay some tribute to his memory expressive of the tender veneration his country feels for such distinguished merit. I therefore move the following resolution:

"The House being informed of the decease of BENJAMIN FRANKLIN, a citizen whose native genius was not more an ornament to human nature, than his various exertions of it have been precious to science, to freedom, and to his country, do resolve, as a mark of the veneration due to his memory, that the members wear the customary badge of mourning for one month."

Which was agreed to.

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*Public Credit.*

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## PUBLIC CREDIT.

The House again went into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. LIVERMORE in the chair.

The resolutions were read; when

Mr. MADISON said, it is not without much reluctance that I trouble the committee with any observations on the subject which has been so long under discussion, and may be thought to be entirely exhausted. I must refer for my apology to the uncommon perseverance with which the advocates for an assumption adhere to their object, notwithstanding the difficulties which oppose it. On the supposition that the measure in question were ever so eligible, if it could be so modified as to be acceptable to the general sense of the Government, and of its constituents at large, every member ought, I think, to be struck with the impropriety of pressing a matter of such peculiar importance and delicacy, by a bare majority.

The proposition now under debate, is liable to all the objections to the former one, as well as to the many others that have been stated against it. From the explanations given by the gentleman from Connecticut, it is evident that this proposition may, in the result, assume the shape of the original one. It may therefore be fairly combated by all those arguments that were brought either against the original proposition, or against the very objectionable manner in which the blanks are proposed to be filled up.

I am not insensible that an assumption of the State debts is, under certain aspects, a measure not unworthy of a favorable attention. If it had not, at least, plausible recommendations, I do not think it could have obtained so respectable a patronage here. I am sure, it would not have originated in the quarter which proposed it. But, sir, it is a question that must be considered and reconsidered, in all its various points of view, and the more it has already been investigated, the more objections have multiplied, and the more solid they have appeared. The arguments used in favor of the measure have been supposed weighty, but, sir, I consider them as unsupported. It has been contended, that the State debts are in their nature the debts of the United States; that they were only from different offices, and have borne a different denomination, but, that in justice, they are the debts of the United States, and that the individual creditors can of right claim payment of the same from the General Government.

I deny the principle, sir, and I think it is disproved by the arguments of the gentlemen themselves. If the debts of the particular States be nothing more than the debts of the United States under another denomination, and if we are bound to provide, for them precisely as for the debts of the United States, let gentlemen consider whether they are not bound to view them in this light wherever they may be found. If they are debts of the United States in the hands of individual citizens, for the same reason that the other debts in private hands are debts of the

United States, must they not be debts of the United States also when in the Treasuries of the different States?

Will gentlemen say, that what are called the State debts, ought to be viewed in that light when in the hands of citizens, and that this quality forsakes them the moment they are received into a State Treasury? If they wish to preserve consistency in their reasoning, they must say, either that the debts are dissimilar in the hands of private citizens, or that they are similar in the hands of States.

The debts of the particular States cannot, in any point of view, be considered as actual debts of the United States; and the United States are not bound, by any past requisition, or any resolutions now existing, to assume them, till the accounts are settled and the balances ascertained. We have been told, sir, not only that the assumption of the State debts by the United States, is a matter of right on the part of the States, and a matter of obligation on the part of the United States, but likewise that it is equitable; nay, that it is a matter of necessity.

It has been said, that the United States are invested with the resources of the particular States, and that therefore they are bound to provide for the debts of those States. I think I may safely rest the issue of this question on a question of fact, Whether the States most urgent in this business are incapacitated from providing for their debts by the establishment of the present Constitution? If gentlemen assert that to be the case, I think it is incumbent upon them then to prove, either that the resources which they have given up would exceed their quota of the Federal requisitions, or that the use of these resources by the General Government will throw a disproportioned burthen upon that particular part of the community. Let us consider, sir, what is the ratio in which the States, in their individual capacity, ought to bear the debts of the United States, and what is the ratio in which they will contribute under the taxes that it is proposed to levy. The only evidence by which we can guide ourselves in this inquiry, is a statement from the several custom-houses. I believe, indeed, that such a statement may not be conclusive. I think it is imperfect; at the same time it is the best guide in our reach, and probably it will be sufficient to illustrate the present argument. The State of New Hampshire, according to this statement, will contribute about one hundredth part of what will be contributed by the whole. Her ratio of contribution, according to her representation, would be nearly about one-twentieth. Here, then, in fact, is a saving of four-fifths to that State. The State may then take this saving, and apply it to the purpose of discharging her domestic debt; she is relieved in that proportion, and, therefore, in that proportion she is more able to provide for her State debt under the new Constitution than under the old one.

The State of Connecticut will contribute about one thirty-eighth; her proper quota would

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be about one-thirteenth. Here, then, is a saving of two-thirds to the State of Connecticut; and in that proportion is her situation better under the new Constitution than the old. Taking the States eastward of New York altogether, that the gentlemen say are rendered incapable of bearing the burthen of the State debts, by the adoption of the new Constitution; I say, take the whole together, and they will contribute about a sixth only; whereas they would have had to contribute, a fourth, if this Constitution had not been established, and they had paid their part of the debt of the United States. In my apprehension, then, sir, as the payment of the State debts cannot be claimed as a matter of right, neither can such payment be called for on the principles of equity, or what is most of all urged, necessity. But we are told, that policy is also in favor of the measure. A gentleman from Massachusetts has said, that the people of Massachusetts never would submit to a rejection of the measure; that it will create a spirit of opposition to the Government; in short, that it will endanger the Union itself. I confess, that these are consequences that would be dreadful to me, if I could suppose they would really take place, and that evils of greater magnitude would not ensue from an adoption of the measure. It is my opinion, sir, that if the refusal to assume the State debts would produce dangerous consequences to the Union, from the discontents that it is apprehended will grow out of the measure, much more have we to fear from an assumption, particularly if hazarded by a small majority. Sir, if we could ascertain the opinions of our constituents, individually, I believe we should find four fifths of the citizens of the United States against the assumption. I believe we should find more. I believe I speak within bounds when I say, that those who would be for an assumption would not amount to one-fifth. This is, indeed, probable conjecture only. But on the other hand, let me ask, what evidence have we that there will be any great disappointment or discontents from a non-assumption? The Legislature of the State of New Hampshire have lately been in session; have they asked for this assumption? No; on the contrary, though they have not instructed their Delegates to vote against it, it appears that it was thought of, and that the bulk of the members disapproved of it. The Legislature of Massachusetts have been in session; they were apprized that this matter was under consideration, and yet there has been no declaration from them, as far as I know, that can induce us to believe they wish for it; on the contrary, it would appear, from the measures they have taken to provide for the payment of their State debt, that they had proceeded on a supposition that an assumption would not take place. With respect to several other States, their Legislatures have also been in session, and none of them, except South Carolina, have made any declaration on the subject. If we are to disregard that species of evidence, and to look

back to the expectations of the people, I do not think that there is a single indication that this measure was ever thought of by our constituents. Sir, I may safely say, it was never expected by the generality of them.

It has been said, too, that policy recommends the measure. It has been repeated, that if the assumption does not take place, no part of the revenues drawn from the Union at large will return to the distant parts of it. Sir, I thought this argument had been set aside sometime since. The very reverse will happen. The State debts have begun already to travel towards the central parts of the Union, and to such an amount as to make it probable, that if they are provided for by us, nearly the whole will follow. Should this be the case, I believe such disadvantages will ensue as will prove the measure very impolitic. In proportion as the whole money contributed in the way of taxes shall center near the Government, or in a particular part of the Union, you increase the evil of discordant interests and local jealousies, which is already too much felt. But, perhaps, this is not the worst consequence to be apprehended. I conceive that a very great part of the proper debt of the United States will go into the hands of foreigners, and that we shall be heavily burdened in paying an interest to them, which cannot be expected to remain in the country; and in proportion as you increase the debt of the United States, you will increase this evil.

I am of opinion also, that the measure is not politic, because, if the public debt is a public evil, an assumption of the State debts will enormously increase, and perhaps, perpetuate it. It is my idea, sir, that the United States and the several States could discharge a debt of eighty millions, with greater ease, and in less time, than the United States alone could do it. I found my opinion on this consideration, that after the United States shall have resorted to every means of taxation within their power, there will still remain resources from which moneys may be raised by the States. Nay, I will go further, and illustrate the remark by adding, that after a State shall have extended its power of taxation to every object falling under general laws, there would still remain resources from which further taxes might be drawn within subdivisions of it, by the subordinate authorities of the State. But, sir, when we consider, that in some parts of the Union there is an unconquerable aversion to direct taxes, at least if laid by the General Government; that in other parts an equal aversion to excises prevails; how will the United States, so circumscribed as to the field of taxation, be able to draw forth such resources as are contemplated by the advocates of an assumption?

It has been asserted that it would be politic to assume the State debts, because it would add strength to the National Government. There is no man more anxious for the success of the Government than I am, and no one who will

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join more heartily in curing its defects; but I wish these defects to be remedied by additional constitutional powers, if they should be found necessary. This is the only proper, effectual, and permanent remedy.

Several gentlemen, sir, have gone into another field of argument in favor of this measure. It has been said, that the Constitution itself requires the assumption. One of my colleagues has asked a very proper question—If, as we have been told, the assumption originated in the Convention, why were not words inserted that would have incorporated and made the State debts part of the debts of the United States? Sir, if there was a majority who disapproved of the measure, certainly no argument can be drawn from this source; if there was a majority who approved of it, but thought it inexpedient to make it a part of the Constitution, they must have been restrained by a fear that it might produce dissensions and render the success of their plan doubtful. I do recollect that such a measure was proposed; and, if my memory does not deceive me, the very gentleman who now appeals to the Constitution in support of his argument, disrelieved the measure at that time, and assigned for a reason, that it would administer relief perhaps exactly in proportion as the States had been deficient in making exertions. It has been also remarked, that the Constitution having been established for obtaining perfect justice, it cannot be carried into effect, unless full justice is done on this subject, or, in other words, unless the State debts are assumed. Sir, if we are to take these words in their full extent, we must not stop merely with securing justice to the creditors of the Government, we should also endeavor to secure justice to every private creditor whatever. The gentleman says, that, by the Constitution, all debts that existed against the United States at the time of the adoption of the Constitution are to be as valid now as they were before its adoption.

What was the situation of the State debts before the adoption of the Constitution? Was it understood that they were a part of the debt of the United States, any further than there might be found a balance on a final settlement? Was it ever supposed that they were to be thrown into one common mass, and that the States should be called on collectively to provide for them? What would have been thought of such a proposition? Would it have been considered as consistent with equity? Would it have been thought constitutional? I am persuaded, if such a proposition had been made in the old Congress, it never would have found a second; and for this reason, that the debts of the particular States were never considered as the debts of the United States. In whatever light we view the question, it appears to me, that the arguments urged in support of it, are themselves unsupportable.

Much has been said of the situation of particular States, in case these debts should not be

assumed. Much, indeed, has been said of the distresses and exertions of Massachusetts; but if we are to be governed by inquiries of this sort, we must extend them to every part of the Union, and we shall then find that an assumption will give as much dissatisfaction and work as much injustice to a majority of the States, as a non-assumption may disappoint the citizens of Massachusetts. I do not wish to go into local inquiries; but the present subject seems, in its nature, to make them in some degree unavoidable. The conduct of gentlemen on the other side, at least, renders the task on this indispensable. What would be the operation of the measure with respect to Virginia? It will not be denied, that Virginia sacrificed as much during the war, in one shape or other, and contributed as much to the common defence of the States, as any among them, certainly as much as Massachusetts. These are facts that can in time be proved. Since the peace, that State has made great exertions to comply with the requisitions of Congress. I might say, sir, that she was almost unequalled in her exertions. Her specie payments into the Federal Treasury since the peace, exceed six hundred thousand dollars, whereas those of Massachusetts are only between two and three hundred thousand dollars. In indents Massachusetts has, indeed, paid most, but by no means in such proportion as to balance the difference in the specie payments. The exertions of Virginia to discharge the debt she involved herself in by the war, have also been very great; she is not behind any of the States, she is before most of them; there can be no doubt but that she has certainly discharged more of her debts than Massachusetts, and as little doubt, in the opinion of the best informed, that whenever a final settlement shall take place, that State will be found a creditor to the United States.

If, during the war, she has made as great exertions, and has suffered as much as any of the States; if she has, since the peace, paid her full proportion of the supplies to the Federal Treasury, at the same time exerting herself to the utmost to discharge her State debt, and if, finally, she will probably be found to be in advance to the Union, and would, therefore, if justice could at once be done, be now entitled to a reimbursement—what must be said by the citizens of that State, if, instead of a reimbursement, they are called upon to make further advances? Sir, I may add here, that their contributions to the Federal Treasury, under the proposed system of revenue, will exceed the ratio by which they would contribute, by taxes laid in proportion to their representation. I do not wish to extend this investigation any further than has been already done; but were I to do it, the evidence would be more striking, that the payments from those parts of the Union that would receive least benefit from the assumption, would be greater than from those that would receive the immediate benefit of it.

One of my colleagues seems to be of opinion,



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that the measure will be favorable to the interest of Virginia; but he seems to me to have grounded his opinion on the erroneous supposition that the proposed plan will embrace the whole of the debts as they existed at the close of the war, or that the State of Virginia will contribute less, on the plan of deriving revenue from consumption, than she would if derived according to the constitutional ratio. I believe, on the contrary, that if the assumption should take place as originally proposed, that there would be a claim on Virginia for five millions, whereas if there is no assumption, her citizens will have to provide for about three millions only; and thus, instead of bearing her proper burthen, which is about one-seventh, she would have to bear a burthen in the ratio of one-fifth. He seems to think that his own particular district would be benefited by this measure; but if he be right in his other opinion, that that part of the State will consume more than the other parts, he will find, sir, that instead of relieving his constituents, compared with the rest of the State, that he would still more augment their burthens; so that it would come to this at last, that the State would have to pay five millions instead of three—and that the particular part of the State he represents, instead of paying their proportion of three millions, would have to pay more than their proportion of five. I admit, however, that he is the most proper judge on that subject. But the citizens of Virginia would not only be called upon when already in advance, and to an amount beyond their proper ratio, but in a mode that is peculiarly obnoxious to them, I mean that of excise. Sir, the people of that State are as averse to excises as those of any other State can be to direct taxes, and in my own judgment, with far more reason, where the article excised is not by some peculiarity free from the common objections. Excises are unequal with respect to different parts of the Union. They are also unequal to various parts of the same State. This mode of collection gives arbitrary powers to the Collectors, and exposes our citizens to vexatious searches. It opens a door to frauds and perjuries, that tend equally to vitiate the morals of the people, and to defeat the public revenue. Besides, sir, excises are more expensive in the collection than other kinds of taxes. The collection of the excise in Great Britain costs ten per cent. That of her direct taxes is computed at three per cent. only. I will not positively say that a similar disproportion in the expense of collecting would be incurred in this country; but in some parts of it, I am sure that the expense of excises would be greatest, and on some articles in view would, if the collection were made at all, exceed the revenue obtained from it.

Sir, there has been an argument of another kind advanced in support of the assumption. Gentlemen have thought it a matter of consequence, that not only justice should be done, but that the condition of the people should be equalized; that no invidious comparisons might

be made between the inhabitants of one State and those of another, and that no oppressions or embarrassments should force the people to emigrate from one State to another. It would be a comfortable reflection, if every part of the Union could be assimilated in this instance; but, sir, I think we have no authority to sacrifice essential considerations to obtain these advantages. Nor do I know that we should obtain them by assuming the State debts. Supposing that measure to be adopted, let us reflect what would be the situation of the different parts of the Union? I do not, at this moment, consider the question as it respects justice, right, or general policy, but in reference merely to the particular consequence of equalizing the circumstances of the people. Let us take a view, comparatively, of the people of the United States. Massachusetts owes a debt of several millions. The public debt, when you come to analyze it, at least where it is due to citizens and not to foreigners, is a debt from one part of the people to the other. The Government is the collector from the pockets of the debtors, to pay it into the hands of the creditors. If, sir, the State debts should be assumed, Massachusetts will then get rid of her embarrassments; but what would be the situation of Virginia? Besides her public debt, I believe that her citizens owe, one to another, debts to an amount equal to the whole public debt of Massachusetts. Perhaps, I might say to the amount of both the public and private debts of that State. In addition to all this, the people of Virginia are indebted to foreigners to a greater amount than the whole debt of Massachusetts. Sir, I firmly believe, that though Virginia is less oppressed with public debt than Massachusetts, yet, when we take a view of all the difficulties she labors under, and weigh them against those of Massachusetts, it will be found that Virginia ought to be relieved herself, instead of being expected to relieve others.

But, supposing all objections of another nature to be laid aside, I freely confess that after a more minute examination into the subject, I am much inclined to doubt whether the assumption can possibly be carried into execution. Difficulties are continually arising when I survey this question, for which I can find no solution, without departing from every principle by which we ought to be guided. It never yet has been shown in what manner a remedy could be provided for a partial subscription. Suppose the State creditors were part of them to subscribe and part to refuse. Suppose those of one State subscribe, and those of another should not. Again, sir, by what method would you discriminate the debts that come under the definition from those that will be excluded by it? Where will you invest this important discretionary power? I really think that great difficulties will be found before this can be effected. There is another objection, to which I have never heard a satisfactory answer, although it has been repeatedly urged by a member from

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Georgia. There are debts existing in some of the States that do not bear interest, that have got into circulation without any title to it, and have been received by the present holders without any other expectation than that, in some reasonable time, the principal would be paid. Would it, sir, be proper or necessary to consider these as debts of the Union, bearing interest, or to provide for the immediate funding of them? But there is a case, in my opinion, far more difficult, I mean the paper money issued to redeem the State debts. The State of North Carolina has taken up its certificates with these paper bills. They are not proposed to be included in the assumption. They are clearly excluded by the present motion, yet they are as much a State debt to be sunk by taxes as certificates, and the taxes may as much interfere with those of other States. Some of the States, sir, have not only assumed the debts recommended by Congress for making up the depreciation to the army, but they have gone further and have made up the depreciation, where it was not recommended. Other States have not done this. The debts existing in some States, I take it for granted, comprehend these depreciated notes. Would it not be unjust to call on those States that have not made this provision for their army that other States have done, would it not be hard to call upon those officers and soldiers who have not received this additional compensation, to pay it to those of other States, who have? I would not here be understood to censure the States that made this compensation; I rather commend them for it. It is a proof of their magnanimity and justice that does them honor; but, at the same time, this does not alter the nature of the objection. In some States in order to reward the army, they have done it by several aids that do not constitute any part of the State debts. In some of the States, there are debts still unliquidated. If you declare that, when liquidated, they shall be assumed, you afford a temptation that has been hitherto cautiously avoided, that of making the States less exact in the settlement of their accounts. I do not find that any gentleman has proposed, on the contrary most of them seem to have rejected, the idea of making provision at this session for fulfilling the engagement in case we enter into an assumption. I think it would be a powerful and unanswerable objection against assuming the State debts at this time, that we do not see, or are not prepared to decide on the means of providing for them. There is not a more important and fundamental principle in Legislation, than that the ways and means ought always to face the public engagements; that our appropriations should go hand in hand with our promises. To say that the United States should be answerable for twenty-five millions of dollars without knowing whether the ways and means can be provided, and without knowing whether those who are to succeed us will think with us on the subject, would be rash and unjustifiable. Sir, in my opinion, it would be hazarding the public faith in a man-

ner contrary to every idea of prudence. It is very true, sir, that a variety of funds have been proposed, yet they are nothing more than mere suggestions, and though I think they are as good as could be expected in the time, I really believe that some of them, at least, if they can be carried into execution at all, will disappoint the calculations on which they are founded.

I cannot finish my observations on this subject, sir, without adverting to one particular, which I would wish gentlemen to attend to, not so much for our sakes as their own. I would recommend to them no longer to assume a pre-eminence over us in the nationality of their motives; and that they would forbear those frequent assertions, that if the State debts are not provided for, the Federal debts shall also go unprovided for; nay, that if the State debts are not assumed, the Union will be endangered. Sir, I am persuaded that if the gentlemen knew the motives which govern us, they would blush at such intemperate as well as inconsistent language. I am sure, that if they knew the emotions with which it is heard, they would at least see the inutility of it. I hope, sir, that whatever may be the decision on this question of assumption, that patriotism and every other noble and generous motive will lead the minority to acquiesce in measures which will tend to establish public credit by a due provision for the public engagements.

The Committee then rose.

FRIDAY, April 23.

PUBLIC DEBT.

A motion being made to take up the order of the day,

Mr. AMES rose and said, that previous to taking up the order of the day, he wished to introduce a motion for the consideration of the House. He observed, that it had been asserted in the course of the debates on the assumption of the State debts, that the State of Virginia had advanced for the common defence beyond her proportion; advantage appeared to be taken of such assertions; he thought it necessary that facts should be known, that the Committee might act with certainty in conducting this important question. He therefore moved the following in substance, viz: "that the Secretary for the Department of War be directed to lay before the House a statement of the troops, including the militia, and ordnance stores, furnished by the respective States for the general defence during the late war."

This motion was opposed, as tending to procrastinate the funding business, and as leading to excite invidious comparisons respecting the relative merits and exertions of the several States. It was, however, carried in the affirmative, with this addition proposed by Mr. BLAND, "and that the Commissioners of accounts between the United States and individual States be directed to furnish an abstract of the claims of the several States against the United States, specifying the principles on which the claims

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are founded." On the above motion, the previous question was called for by Mr. LEE, which was lost, and the main question agreed to, 28 to 26.

Mr. GERRY then moved that the Secretary of the Treasury be directed to report to the House a statement of all payments both of indents and other paper, as well as specie, which have been made by the several States to Congress, from the commencement to the end of the late war." This was agreed to.

Mr. MADISON moved that a statement of the unliquidated claims of the several States against the United States should be furnished by the Commissioners. This was also agreed to.

The House adjourned, without taking up the Report of the Secretary of the Treasury in Committee of the whole.

MONDAY, April 26.

On motion of Mr. FITZSIMONS, the Committee of the whole on the state of the Union was discharged from the further consideration of the plan of the Secretary of War for the general arrangement of the Militia of the United States, and that the said plan be referred to the Committee appointed to prepare and bring in a bill or bills providing for the National defence.

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Mr. FITZSIMONS moved, "that the Committee of the whole should, for the present, be discharged from further proceedings on that part of the Report of the Secretary of the Treasury which relates to the assumption of the State debts."

This motion produced a warm, though desultory debate.

Mr. GERRY, Mr. VINING, Mr. SMITH, (of South Carolina,) Mr. AMES, Mr. BLAND, and Mr. SHERMAN, opposed the motion. It was supported by Mr. MADISON, Mr. JACKSON, Mr. STONE, and Mr. PAGE.

Mr. VINING moved the previous question; which being put in the manner following, "shall the main question now be put?" It was resolved in the affirmative.—Ayes 32. Nays 19.

The yeas and nays were then taken on the motion of Mr. FITZSIMONS, to wit: "that the Committee of the whole be, for the present, discharged from that part of the Report of the Secretary of the Treasury which relates to an assumption of the State debts."

AYES.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Carroll, Clymer, Coles, Contee, Fitzsimons, Floyd, Gilman, Griffin, Jackson, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Rensselaer, Schureman, Scott, Seney, Sinnickson, Smith, (of Maryland,) Steele, Stone, Sumter, White, Williamson, and Wynkoop.—32.

NAYS.—Messrs. Ames, Bland, Boudinot, Burke, Foster, Gerry, Goodhue, Grout, Huntington, Livermore, Sherman, Sylvester, Smith, (of South Carolina,) Sturges, Thatcher, Tucker, Vining, and Wadsworth.—18.

So the question was carried in the affirmative.

The House then again resolved itself into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. LIVERMORE in the Chair; when having agreed to certain resolutions, the Committee rose and reported them to the House. The House took up the Report, and agreed to the resolutions, as follows:

*Resolved*, That adequate provision ought to be made for fulfilling the engagements of the United States, in respect to their foreign debt.

*Resolved*, That permanent funds ought to be appropriated for the payment of the interest on, and the gradual discharge of the domestic debt of the United States.

*Resolved*, That the arrears of interest, including indents issued in payment thereof, ought to be provided for on the same terms with the principal of the said debt.

*Resolved*, That it is advisable to endeavor to effect a new modification of the domestic debt, with the voluntary consent of the creditors, by a loan, upon terms mutually beneficial to them and to the United States.

*Resolved*, That for the purpose expressed in the last preceding resolution, subscriptions towards a loan ought to be opened, to the amount of the said domestic debt, upon the terms following, viz:

That for every hundred dollars subscribed, payable in the said debt (as well interest as principal) the subscriber be entitled, at his option, either,

To have two-thirds funded at an annuity or yearly interest of six per cent. redeemable at the pleasure of the Government by payment of the principal, and to receive the other third in lands in the Western Territory, at the rate of twenty cents per acre—or,

To have the whole sum funded in an annuity or yearly interest of four per cent. irredeemable by any payment exceeding six dollars per annum, on account both of principal and interest; and to receive as a compensation for the reduction of interest, fifteen dollars and eighty cents, payable in lands as in the preceding case—or

To have sixty-six dollars and two-thirds of a dollar funded immediately at an annuity or yearly interest of six per cent. irredeemable by any payment exceeding six dollars per annum, on account of both principal and interest, and to have, at the end of seven years, thirty-three dollars and one third of a dollar funded at the like interest and rate of redemption.

*Resolved*, That the funds which shall be appropriated according to the second of the foregoing resolutions, be applied, in the first place, to the payment of interest on the sums subscribed towards the proposed loan; and that, if any part of the said domestic debt shall remain unsubscribed, the surplus of the said funds be applied, by a temporary appropriation to the payment of interest on the unsubscribed part, so as not to exceed for the present four per cent. per annum, but this limitation shall not be understood to impair the right of the non-subscribing creditors to the residue of the interest on their respective debts; and in case the aforesaid surplus should prove insufficient to pay the non-subscribing creditors at the aforesaid rate of four per cent. that the faith of Government be pledged to make good such deficiency.

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Tariff of Duties.

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Mr. STONE, Mr. WHITE, Mr. SHERMAN, Mr. CLYMER, and Mr. GILMAN, were appointed a committee to prepare and bring in a bill conformable to these resolutions.

Mr. GERRY proposed a resolution, that a committee, to consist of a member from each State, and an equal number for and against the assumption, be appointed to consider of, and report a plan of accommodation on this subject.

This motion was laid on the table for further consideration.

TUESDAY, April 27.

#### FORFEITURES AND PENALTIES.

Mr. BOUDINOT, from the committee appointed for the purpose, presented a bill to provide for mitigating or remitting the forfeitures and penalties accruing under the revenue laws in certain cases, which was twice read and committed.

A message from the Senate informed the House that they have passed a bill to continue in force an act of the last session, to regulate processes in the Courts of the United States, to which they desire the concurrence of this House.

#### INTERCOURSE WITH FOREIGN NATIONS.

The House resolved itself into a Committee of the whole on the bill providing the means of intercourse between the United States and foreign nations; Mr. LIVERMORE in the Chair. The committee having made several amendments to the bill, reported it with the proposed amendments to the House, which was ordered to lie on the table.

*Ordered*, That Messrs. THATCHER, WADSWORTH, BENSON, BOUDINOT, SUMTER, SENEY, and PARKER, be added to the committee to bring in a bill for the National defence.

#### POST-OFFICE.

*Ordered*, That the Committee of the whole, to whom was committed the bill for regulating the Post Office, be discharged therefrom, and that the said bill, with a report of the Postmaster General on the several matters submitted to him, be referred to Messrs. LIVERMORE, AMES, HUNTINGTON, SYLVESTER, WYNKOOP, SMITH, (of Maryland,) MOORE, STEELE, TUCKER, BALDWIN, and VINING.

#### TARIFF OF DUTIES.

The House then resolved itself into a Committee of the whole on the Report of the Secretary of the Treasury, Mr. LIVERMORE in the Chair. After some time, the Committee rose, and reported the following resolutions; which, being taken up for consideration, were agreed to, as follows:

*Resolved*, That from and after the — day of — next, in lieu of the duties now payable upon wines and distilled spirits imported into the United States, there shall be paid the following rates;

Upon every gallon of Madeira wine called London particular, thirty-five cents.

Upon every gallon of other Madeira wine, thirty cents.

Upon every gallon of Sherry wine, twenty-five cents.

Upon every gallon of other wine, twenty cents.

Upon every gallon of distilled spirits, more than ten per cent. below proof, according to Dicas's hydrometer, twenty cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twenty-one cents.

Upon every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, twenty-two cents.

Upon every gallon of those spirits, above proof, but not exceeding twenty per cent. according to the same hydrometer, twenty-five cents.

Upon every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, thirty cents.

Upon every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, forty cents.

*Resolved*, That, from and after the — day of —, in lieu of the duties now payable upon teas and coffee imported into the United States, there shall be paid,

Upon every pound of hyson tea, forty cents.

Upon every pound of other green tea, twenty-four cents.

Upon every pound of souchong or other black tea, other than bohea, twenty cents.

Upon every pound of bohea tea, twelve cents.

Upon every pound of coffee, five cents.

*Resolved*, That from and after the — day of — there be paid upon spirits distilled within the United States, from molasses, sugar, or other foreign manufacture:

Upon every gallon of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, eleven cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twelve cents.

Upon every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, thirteen cents.

Upon every gallon of those spirits above proof, but not exceeding twenty per cent. according to the same hydrometer, fifteen cents.

Upon every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, twenty cents.

Upon every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, thirty cents.

*Resolved*, That, from and after the — day of — there be paid upon spirits distilled within the United States, in any city, town or village, from materials the growth or production of the United States:

Upon every gallon more than ten per cent. below proof, according to Dicas's hydrometer, nine cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, ten cents.

Upon every gallon of those spirits, of proof, and not more than five per cent. below proof, according to the same hydrometer, eleven cents.

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*Sundry Bills.*

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Upon every gallon of those spirits, above proof, but not exceeding twenty per cent. according to the same hydrometer, thirteen cents.

Upon every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, seventeen cents.

Upon every gallon of those spirits, more than forty per cent. above proof, according to the same hydrometer, twenty-five cents.

And upon all stills employed in distilling spirits from materials of the growth or production of the United States, in any other place than a city, town, or village, there be paid the yearly sum of sixty cents for every gallon, English wine measure, of the capacity of each still, including its head; or — cents per gallon for all spirits distilled from grain; or — cents per gallon for all spirits distilled from fruit."

*Ordered,* That a bill or bills be brought in pursuant to the said resolutions, and that Mr. FITZSIMONS, Mr. HUNTINGTON, Mr. JACKSON, Mr. CONTEE, and Mr. BLOODWORTH, do prepare and bring in the same.

WEDNESDAY, April 28.

## FORFEITURES AND PENALTIES.

The House resolved itself into a Committee of the whole on the bill to provide for mitigating or remitting the forfeitures and penalties accruing under the Revenue laws. The Committee reported the bill to the House without amendment, and it was ordered to be engrossed for a third reading.

## TERRITORY SOUTHWEST OF THE OHIO.

The House also went into a Committee on the bill from the Senate, for the government of the Territory of the United States south of the river Ohio. The Committee reported this bill without amendment, when the House amended it, and ordered it to be read a third time tomorrow.

## AUTHENTICATION OF RECORDS.

Mr. PAGE, from the Committee appointed for the purpose, presented a bill to prescribe the mode in which the public acts, records, and judicial proceedings in each State shall be authenticated, which was twice read and committed.

## INDIAN TRIBES.

The House resolved itself into a Committee on the bill to regulate trade and intercourse with the Indian tribes, Mr. LIVERMORE in the Chair. After some time spent thereon, the Committee rose and reported progress; when, on motion, the Committee of the whole was discharged from a further consideration thereof, and the bill was recommitted to Messrs. WADSWORTH, BROWN, BOUDINOT, BURKE, BALDWIN, LIVERMORE, AMES, LAWRENCE, SCOTT, SMITH, (of Maryland,) SUMTER, and STEELE.

THURSDAY, April 29.

## FORFEITURES AND PENALTIES.

The engrossed bill to provide for mitigating or remitting the forfeitures and penalties accruing under the Revenue laws, was read the third time and passed.

## SUNDRY BILLS.

The bills sent from the Senate, for the government of the Territory of the United States south of the river Ohio, with amendments, and to regulate Processes in the Courts of the United States, were read the third time and passed.

A petition from the manufacturers of Cordage in the city of Philadelphia was presented, praying that a further duty may be imposed on the importation of foreign cordage. Referred.

*Ordered,* That a bill or bills be brought in to authorize the issuing certificates to a certain description of invalid Officers; and that Messrs. BURKE, CONTEE, and COLES prepare the same.

*Ordered,* That a bill be brought in for the government and regulation of seamen in the merchants' service; and that Messrs. FITZSIMONS, SMITH, of Maryland, and STURGES prepare the same.

## FOREIGN INTERCOURSE.

The House proceeded to consider the report of the Committee of the whole, of yesterday, on the bill providing the means of intercourse between the United States and foreign nations; and the same being agreed to, the bill, as amended, was ordered to be engrossed for a third reading.

## SALARIES OF EXECUTIVE OFFICERS.

The House went into Committees of the whole on the bill supplemental to the act for establishing the salaries of the Executive Officers of Government, with their assistants and Clerks; and on the bill for the encouragement of learning, by securing the copies of maps, charts, books, and other writings, to the authors and proprietors, Mr. SENEY in the Chair, and made several amendments in each; which being reported to the House, were severally concurred with, and the bills were ordered to be engrossed for a third reading.

FRIDAY, April 30.

## SUNDRY BILLS.

The following engrossed bills received their third reading, and were passed, viz: The bill supplemental to the act for establishing the salaries of the Executive Officers of the Government, with their assistants and Clerks; the bill providing the means of intercourse between the United States and foreign nations; and the bill for the encouragement of learning, by securing the copies of maps, charts, books; and other writings to the authors and proprietors.

A petition from sundry inhabitants of Morris county, in New Jersey, was presented, praying that additional duties may be imposed on the importation of Copperas, Vitriol, Spanish Brown, Venetian Red, and Yellow Ochre. Referred.

The SPEAKER laid before the House the report of the Commissioners for settling accounts between the United States and individual States, in pursuance of an order of the House, which was laid on the table.

Mr. GERRY, from the Committee appointed for the purpose, presented a bill for finally ad-

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*Distilled Spirits.*

[MAY 5, 1790.]

justing the claims of Frederick William de Steuben; and

Mr. BURKE, from the Committee appointed for the purpose, presented a bill to authorize the issuing of certificates to a certain description of invalid Officers, which were twice read and committed.

*Ordered*, That a committee be appointed to report a Catalogue of Books necessary for the use of Congress, with an estimate of the expense of obtaining them; and that Messrs. GERRY, BURKE, and WHITE, form said committee.

*Resolved*, That a committee of this House be appointed to join with a committee of the Senate, to consider and report their opinion on the question when, according to the Constitution, the terms for which the President, Vice President, Senators, and Representatives have been respectively chosen, shall be deemed to have commenced. And also, to consider of, and report their opinions on, such other matters as they shall conceive have relation to this question. Messrs. BENSON, CLYMER, HUNTINGTON, MOORE, and CARROLL, were named on this committee.

*Ordered*, That the report of the committee appointed to examine into the measures taken by Congress and the State of Virginia, respecting the lands reserved for the use of the officers and soldiers of said State, on Continental and State Establishments, in the cession made by the said State to the United States, of the Territory Northwest of the river Ohio, be committed to the committee of the whole on the state of the Union.

The House went into a committee of the whole on the bill to prescribe the mode in which the public acts, records, and judicial proceedings in each State shall be authenticated, Mr. SENY in the Chair. The committee made an amendment to the bill, which was reported to the House; and being concurred with, the bill was ordered to be engrossed for a third reading.

MONDAY, May 3.

#### MODE OF AUTHENTICATING RECORDS.

The engrossed bills to prescribe the mode in which the public acts, records, and judicial proceedings in each State shall be authenticated, and to allow compensation to John Ely, for his attendance as a physician and surgeon on the prisoners of the United States, were read the third time and passed.

#### GOVERNMENT OF SEAMEN.

Mr. FITZSIMONS, from the committee appointed for the purpose, presented a bill for the government and regulation of seamen in the merchants' service, which was twice read and re-committed.

#### SCIENCE AND LITERATURE.

On motion of Mr. SMITH, of South Carolina, that part of the President's speech which respects the encouragement of science and literature was read. He then moved that it should be referred to a select committee.

Mr. STONE inquired what part of the Constitution authorized Congress to take any steps in a business of this kind; for his part, he knew of none. We have already done as much as we can with propriety; we have encouraged learning, by giving to authors an exclusive privilege of vending their works; this is going as far as we have power to go by the Constitution.

Mr. SHERMAN said, that a proposition to vest Congress with power to establish a National University was made in the General Convention; but it was negatived. It was thought sufficient that this power should be exercised by the States in their separate capacity.

Mr. PAGE observed, that he was in favor of the motion. He wished to have the matter determined, whether Congress has, or has not, a right to do any thing for the promotion of science and literature. He rather supposed they had such a right; but if, on investigation of the subject, it shall appear they have not, he should consider the circumstance as a very essential defect in the Constitution, and should be for proposing an amendment; for, on the diffusion of knowledge and literature depend the liberties of this country, and the preservation of the Constitution.

The House adjourned without a decision on this motion.

TUESDAY, May 4.

#### SUNDRY BILLS.

The engrossed bill to authorize the issuing of certificates to a certain description of invalid officers, was read the first time and passed.

A message from the Senate informed the House that they have passed a bill for giving effect to the act therein mentioned in respect to the State of North Carolina, and to amend the same; also the bill to provide for mitigating or remitting forfeitures and penalties arising under the revenue laws; to which they desire the concurrence of the House.

The said bills were read the first time.

#### CLAIM OF BARON STEUBEN.

The House resolved itself into a Committee of the whole on the bill for finally adjusting and satisfying the claim of Frederick William de Steuben, Mr. LIVERMORE in the chair.

Mr. STONE moved that the report of the Secretary of the Treasury on the Baron's memorial should be read: the Clerk read the same. The Committee proceeded in the discussion of the bill.

The clause which proposes an annuity for life was objected to. Several amendments were proposed and lost. A lengthy debate was supported on other propositions, but a motion for the Committee's rising prevented a decision.

WEDNESDAY, May 5.

#### DISTILLED SPIRITS.

Mr. FITZSIMONS, from the Committee appointed for the purpose, presented a bill to repeal, after last day of — next, the duties here-



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*Claim of Baron Steuben.*

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tofore laid on distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, as well as to discourage the excessive use of those spirits, and promote agriculture, as to provide for the support of the public credit, and for the common defence and general welfare; which was twice read and committed.

#### MODE OF AUTHENTICATING RECORDS.

A message from the Senate informed the House that they have passed the bill to prescribe the mode in which the public acts, records, and judicial proceedings in each State shall be authenticated.

#### CLAIM OF BARON STEUBEN.

The House again went into a Committee of the whole on the bill for finally adjusting and satisfying the claim of Frederick William de Steuben, Mr. LIVERMORE in the chair. The Committee did not get through the bill; but rose and reported progress.

THURSDAY, May 6.

#### CLAIM OF BARON STEUBEN.

The House again resolved itself into a Committee of the whole on the bill for adjusting the claim of Baron Steuben, Mr. LIVERMORE in the chair. After some time spent on the bill, the Committee rose, and reported it to the House without the amendment. The bill was ordered to lie on the table.

#### PUBLIC DEBT.

Mr. STONE, from the Committee appointed for the purpose, presented a bill making provision for the debt of the United States; which was twice read and committed.

FRIDAY, May 7.

#### NORTH CAROLINA.

The House resolved itself into a Committee of the whole on the bill sent from the Senate for giving effect to the act therein mentioned, in respect to North Carolina, and to amend the said act, Mr. LIVERMORE in the chair.

The committee made several amendments to the bill, rose, and reported them to the House, where they were agreed to; and the bill was ordered to be engrossed for a third reading.

Mr. BLAND, after stating to the House, that in consequence of obtaining (as is supposed) a surreptitious copy, from a public office, of the names of officers and soldiers in the Virginia and North Carolina lines, of the late army, to whom arrears of pay were ordered to be made by a law passed the last session of Congress, some persons had fraudulently procured assignments of pay, for a consideration much below their value. He therefore moved a resolution to prevent the frauds taking place, in the following words, viz.

*Resolved*, That the Secretary of War be, and he is hereby, directed to cause accurate lists to be forthwith published in the newspapers of the States of Virginia and North Carolina, of all the officers and

soldiers who are entitled to receive certain arrears of pay due to the lines of the army of the said States, for which money was granted and appropriated by Congress at their last session; and that payment be made to the said officers and soldiers, or, where dead, to their legal representatives, under the same regulations as have been adopted for the payment of invalid pensioners, in pursuance of an act passed at the last session of Congress, entitled "An act providing for the payment of the invalid pensioners of the United States," and that no claim of any assignee, under any transfer or power to receive the same, be admitted as valid to entitle any person to receive any part of the said arrears of pay due to the officers or soldiers of the said lines, except as aforesaid:

*Ordered*, That the said motion be committed to MESSRS. BLAND, WILLIAMSON, and BURKE.

#### CLAIM OF BARON STEUBEN.

The House proceeded to consider the bill for finally adjusting and satisfying the claims of Frederick William de Steuben, which lay on the table: whereupon,

A motion being made and seconded to amend the first section, by striking out from the word "assembled," in the second line, to the end thereof, as follows:

"That, for the final adjustment and satisfaction of the claims of Frederick William de Steuben, and as well to indemnify him for his sacrifices and expenses in coming to the United States, as to compensate him for his services to them during the late war, (pursuant to the conference between him and a committee of Congress, in the year one thousand seven hundred and seventy-eight, set forth in the document accompanying his memorial,) there be allowed to the said Frederick William de Steuben,

The pay and other emoluments of Major General and Inspector General, specified in the several acts of Congress relating to him, from the tenth of March, in the year one thousand seven hundred and seventy-eight, to the fifteenth day of April, in the year one thousand seven hundred and eighty-four:

An annuity for life of two thousand seven hundred and six dollars, to commence on the first day of October, in the year one thousand seven hundred and seventy-seven:

And — thousand acres of land in the Western Territory of the United States, to be located in such manner as shall be hereafter prescribed by law: *Provided*, That the foregoing allowances shall not be construed to include either half-pay, or the commutation for half-pay.

On this motion, Mr. PAGE made the following remarks, which is believed to be the only speech reported on this subject:

Mr. SPEAKER: I am against the motion for striking out the 2,706 dollars, and inserting 1,500 dollars, because it is incompatible with the preceding clauses of the bill, which state the sum (\$2,706) as justly due to the Baron, according to the report of the Secretary of the Treasury, and because it is derogatory to the honor and veracity of the members of the committee of Congress, on whose testimony the Baron's claim is founded.

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*Claim of Baron Steuben.*

[MAY 7, 1790.]

Some gentlemen lay great stress on the want of proof, respecting what is called the contract with Baron Steuben; but, sir, I think we have had all the proof the nature of the case will admit of, and, for my part, I should want no other than Mr. LEX's letter to the Baron.

Sir, this illustrious veteran offered his services on such generous terms, and served us so essentially, that I shall blush for Congress should the ideas of some gentlemen now prevail. It is unworthy of Congress, after having so long enjoyed the benefit of those services, now to be thus coldly scrutinizing the terms on which he offered them, and speaking of them as of little importance. I weigh them not with the dollars proposed; they are far beyond any sum which we can give. And if the worthy member from North Carolina, (Mr. BLOODWORTH,) who moved the motion, wishes to abandon the principles of the bill, and instead of paying to the Baron the debt there stated as due to him, means to give him a sum by way of compensation for his services, and has economy in view, I would advise him to withdraw his motion; for if we depart from the principles of the bill, they who value this great man's services as I do will vote to give him much more than the bill proposes. If I should be at liberty to propose a compensation for the sacrifices he made by coming to America, and serving in her war, and to recompense him for his great services, I am sure I shall propose a much larger sum than has yet been talked of.

Sir, had the Baron stipulated to receive but two per cent. on the articles under his direction, or I may say on what he saved, he would be entitled to much more than is now proposed to be given him. The economy he introduced into the army was the occasion of an immense saving. Who can say now what was saved in arms, accoutrements, and ammunition, and by the reduction of baggage and forage? I have been told that officers, who had loaded a wagon with their baggage, were soon reduced to a single pack-horse.

Some gentlemen have made light of the discipline which has been attributed to the Baron, and told us of the affairs of Bunker's-hill, Trenton, Princeton, and Germantown. It was true these were brilliant actions: but the member from South Carolina, (Mr. SMITH,) and the member from Delaware had replied fully to this observation. They well observed, that brilliant as those actions were, valor without discipline is often vain, and may lead only to destruction; that the commander-in-chief did wonders without the Baron, and (they might have added) he was wonderful in resources, and "in himself a host." But we should not now consider what the commander-in-chief did before he had the Baron's assistance, but what he did with his assistance, and what use he made of his services; and to this, as far as relates to the Baron, he has repeatedly and generously borne ample testimony.

Sir, the Baron, as Adjutant-General and

Director-General, was peculiarly adapted to the purpose of the American army. Having served twenty-two years in the Prussian army, which Americans had been taught to believe was the best disciplined in the world, his discipline was more readily embraced, and more confidence reposed in it than would have been the case had almost any other man, of any other nation, undertaken that great task. The praise now given to the Baron is no disparagement therefore to other officers. The Commander-in-chief stood in need of an Adjutant like him, from the peculiar situation of our army, and has acknowledged his services; therefore it does not become us to speak of them as unimportant.

Sir, the importance of those services would have been displayed to your view by many officers now in this House, had they not, from that delicacy peculiar to American officers, who, having laid by the name and dress of soldiers, and mixed with their fellow-citizens in civil life, refrained from appearing to be more knowing in military matters than the other members of this House. I say, were it not for this delicacy, we should have had a full display of the Baron's services. One officer, indeed, (Colonel BLAND,) from the honest warmth of his heart, has not refrained from saying a few words in support of the Baron's claim. But, sir, I have asked officers, and some of them now in this House, whether I had misunderstood or overrated the Baron's claim, and I have been constantly told that I did not. Though I had not the honor of being in the army, I was well informed by my correspondents there of many important circumstances; and on inquiring what were the effects produced by the new Adjutant and Director-General, (the Baron Steuben,) I was told that they were visible in many economical arrangements, in dispositions of corps, in manœuvring, in marches, in encampments, and particularly in more silent and rapid movements and preparations for action. I was told that when the Marquis de la Fayette, with a detachment under his command, was in danger of being cut off on his return to the army, and the Commander-in-chief was determined to support that invaluable officer, the whole army was under arms and ready to march in less than fifteen minutes from the time the signal was given.

Sir, the effect of this discipline was seen in the marches of our army; they passed rivers in less time than the best troops in Europe could. Those excellent French troops, which served with them in the campaign of 1781, were inferior to them in this respect. The superiority of our troops, as to rapidity of movement, was seen in the attacks on the two redoubts of Yorktown, in Virginia.

Sir, I will affirm, that if the clause be stricken out, a larger sum ought to be inserted. We have been asked, what will our officers say to this vote in favor of the Baron? I will venture to say, sir, they will be pleased with it. They

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acknowledge the obligations they were under to that great man; they view his circumstances in the same light as that gallant officer does, who is now the Secretary, and who drew the report on which the bill before you is founded, and which does honor to his heart.

Sir, if any report deserves to be received without scrutiny, it is the one on which your bill is founded. I hope, therefore, we shall not depart from that report, in so material a point as is proposed by the motion now before you. I wish, indeed, sincerely, that the worthy member would withdraw his motion; if he will not, I must vote against it, and trust that a great majority will vote with me.

The question was taken, and resolved in the affirmative—28 votes to 21.

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Boudinot, Brown, Contee, Floyd, Foster, Gilman, Goodhue, Grout, Livermore, Moore, Muhlenberg, Rensselaer, Schureman, Seney, Sherman, Sinnickson, Smith, of Maryland, Steele, Stone, Sturges, Sylvester, Thatcher, Tucker, White, Williamson.—28.

NAYS.—Messrs. Ames, Benson, Bland, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Gale, Griffin, Heister, Huger, Huntington, Lawrence, Lee, Madison, Page, Scott, Smith, of South Carolina, Vining, Wynkoop.—21.

A motion was then made and seconded, to insert, in lieu of the said words so stricken out, the following clause, to wit:

That, in order to make full and adequate compensation to Frederick William de Steuben, as well for the sacrifices and eminent services, made and rendered to the United States during the late war, as for the commutation or half-pay, promised by the resolutions of Congress, there be paid to the said Frederick William de Steuben, the sum of seven thousand dollars, in addition to the moneys already received by him, and also an annuity of — dollars during life, to commence on the first day of January last, to be paid in quarterly payments, at the Treasury of the United States; which several sums shall be considered in full discharge of all claims and demands whatever of the said Frederick William de Steuben against the United States.

And, on the question being put thereupon, It was resolved in the affirmative.

And then the said bill, being further amended at the Clerk's table, was, together with the amendments, ordered to be engrossed, and read the third time on Monday next.

MONDAY, May 10.

The bill from the Senate, for giving effect to the act therein mentioned, in respect to North Carolina, and to amend the said act, was read the third time and passed.

BARON STEUBEN.

The bill for adjusting and settling the claims of Frederick William de Steuben was brought in engrossed, and read the third time. The gratuity in land being omitted in the bill, Mr. SMITH, of South Carolina, supposing the omission to be an error, moved that the bill be re-committed, in order to re-insert the clause.

This motion, after a short discussion, was lost.

The blank, in the clause stating the annuity, Mr. SMITH, of South Carolina, moved should be filled up with 2,700 dollars.

After some debate the yeas and nays were taken, and the motion was negatived, as follow:

YEAS.—Messrs. Ames, Benson, Bland, Cadwalader, Carroll, Coles, Fitzsimons, Gale, Gerry, Hartley, Heister, Huger, Huntington, Lawrence, Lee, Madison, Muhlenberg, Page, Scott, Smith, of South Carolina, Trumbull, Tucker, Vining, Wadsworth, Wynkoop.—25.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Boudinot, Brown, Contee, Floyd, Foster, Gilman, Goodhue, Griffin, Grout, Hathorn, Livermore, Mathews, Moore, Parker, Partridge, Rensselaer, Schureman, Seney, Sherman, Sinnickson, Smith, of Maryland, Steele, Stone, Sturges, Sylvester, White, Williamson.—30.

A motion was then made to fix the annuity at 2,500 dollars. This was negatived—yeas 25, nays 20;

As was a motion for 2,420 dollars—yeas 25, nays 30.

A motion for 2,000 dollars was agreed to—yeas 31, nays 24.

The bill being completed, on the question, shall the bill pass, it was carried in the affirmative—the yeas and nays being as follow:

YEAS.—Messrs. Ames, Benson, Bland, Boudinot, Cadwalader, Carroll, Coles, Contee, Fitzsimons, Gale, Gerry, Griffin, Hartley, Heister, Huger, Huntington, Livermore, Lee, Lawrence, Madison, Moore, Muhlenberg, Page, Parker, Scott, Sherman, Smith, of Maryland, Smith, of South Carolina, Trumbull, Tucker, Vining, Wadsworth, White, Wynkoop.—34.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Floyd, Foster, Gilman, Goodhue, Grout, Hathorn, Mathews, Partridge, Rensselaer, Schureman, Seney, Sinnickson, Steele, Stone, Sturges, Sylvester, Williamson.—21.

#### TONNAGE ON FOREIGN SHIPPING.

The House then resolved itself into a Committee of the whole on that part of the report of a select committee on the petition of the merchants and inhabitants of Portsmouth, in New Hampshire, which relates to an increase of tonnage on foreign shipping, &c., Mr. LIVERMORE in the chair.

Mr. SMITH, of South Carolina, moved to strike out the first clause of the report, which proposed to raise the tonnage on foreign built vessels to a dollar per ton, and gave several reasons in support of the motion. The measure he considered impolitic, because it was injurious to the primary interests of the United States, its agriculture, and unequal in its operation; because it would be severely felt by some States, while it would be advantageous to others. It ought to be viewed either as a matter of revenue or as a bounty. If the former, it should be collected with an impartial hand from each State, according to its just proportion; if the latter, it should be paid out of the Treasury, and not raised on particular States. South Carolina would pay 30,000 dollars, while Massachu-

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setts paid only 8,000; and Georgia would pay 14,000, when New Hampshire paid only 1,200. This was requiring the Southern States to make too great a sacrifice, and was imposing enormous burthens on them for the exclusive benefit of the Eastern States; it was taxing South Carolina and Georgia, to give bounties to Massachusetts and New Hampshire. Massachusetts having shipping of her own, would export her commodities at the rate of six cents per ton, while the Southern States, whose produce was of a bulky nature, must pay one hundred cents. In addition to this advantage, Massachusetts would receive the same freight for her shipping as would be paid to foreigners; and as this increased tonnage would immediately increase the freight, Massachusetts would receive for her shipping a higher freight than she does now. She would, therefore, derive numerous advantages from the proposition, while some other States would be exceedingly injured by it. South Carolina, he said, was obliged to employ foreign shipping to carry off full one-half of her crop: this increased tonnage would either make her pay an increased freight, or would diminish the quantity of foreign shipping on which she depended. In the one case, it would operate as a tax on exports, which was against the Constitution; in the other, it would check the exportation of its produce, and thereby materially affect the agriculture of the country, which was its principal resource. He was aware he should be told that this was the way to increase the American shipping, and to rescue the exporting States from their dependence on foreigners. Such an event was not likely to take place without a convulsion: commerce was not easily forced from a channel in which it had long run; in the attempt, those States must suffer, and they were not at present in a condition to bear it. Embarrassed with their debts, public and private, from which nothing could extricate them but a facility of exporting their productions, they were not in a humor to make experiments; this was one of a dangerous nature; it was encountering an immediate and certain evil for a remote and uncertain benefit. The navigating States had already obtained from Congress considerable favors, more than either the manufacturing or the agricultural States had received: their vessels paid only six cents, while foreigners paid fifty; even when sold to foreigners they paid only thirty cents; they had a monopoly of the coasting trade and the East India trade, and goods imported in American bottoms were entitled to a discount of ten per cent. on the duties. They had, by nature, every advantage in ship-building; they could build for nearly one-half the sum it would cost in Europe; they had all the materials for building and equipping at hand, and yet they were not satisfied, but were pressing for further benefits. At least they should wait to learn the effect of the laws passed last session on this subject. There were no documents to show whether those laws had increased the American shipping, or

to what amount; they had not been in operation above nine months, and it was an extraordinary proceeding to double the foreign tonnage without another ground than a petition from some merchants in Portsmouth. If, after the inquiry should be made, it should appear, that notwithstanding every thing which Congress had done for securing to the United States the carrying trade, our own shipping had not increased in the proportion expected, it might reasonably be inferred that other circumstances than those to which it was attributed occasioned such ill success, and that increasing the foreign tonnage would not remedy the evil; if, on the other hand, it should be ascertained that the measures of last session had produced the desired effect, then any further restrictions on foreign shipping would be unnecessary. Whatever was the result, it would operate against the proposed increase.

If the fact however really was, as the petitioner stated, that no advantages had accrued to their shipping from the measures of the last session, he was impressed with a strong conviction that their shipping labored under disabilities not within the power of Congress to remove. It was not improbable that our merchants in general either had not sufficient capital to engage seriously in the carrying trade, or were not disposed to encounter the hazard of that species of commerce. A merchant at Boston who should propose to be concerned in the carrying trade between Charleston and Amsterdam, must have capital and connexions at both those places. His property, being thus divided, would be exposed to greater risk than if it were all at Boston, under his immediate control; at least he would feel more satisfaction in this case, and any trifling loss might induce him to relinquish such extensive concerns, and to contract his capital to a smaller sphere. This might be one reason why our citizens were cautious of embarking in the carrying trade; another might be assigned: some of the exporting States were accustomed to particular commercial habits adapted to their local circumstances, and their immediate convenience; they were supplied at proper seasons with such commodities as were suited to their wants, and the nation which supplied them not only allowed us an extensive credit, but received our produce in exchange; the vessels which brought the necessary supplies were ready to take away our productions, and the merchant who sold the former would naturally employ his own vessels to export the latter. The only mode of supplanting these foreign merchants is to imitate their conduct; without it, said Mr. S., it is in vain to load their shipping with enormous duties; such a step will only distress us and depreciate our produce, without securing the carrying trade to the Eastern States. The true policy of the United States is to encourage its agriculture and to facilitate the exportation of its products; this measure would have a different tendency. Union at home, and peace with all the world,

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should be our motto, because they would ensure prosperity to this country; but the proposition, if carried into operation, would occasion disunion at home, and might induce a retaliation by foreign powers, and involve us in hostilities. The States which would suffer by this restriction on foreign shipping, of which they stood so much in need, would consider it as unjust and calculated to promote the interests of other States at their expense. In this point of view, he disapproved highly of the measure, for it did not hold out to the different States that equal protection to which, by the Constitution, they were entitled. At any rate, the proposed increase was premature, and they had not sufficient information to warrant so very enormous an addition to the foreign tonnage.

Mr. SHERMAN observed, that the resolutions had in view two objects; one to encourage the carrying trade, the other to encourage ship-building. To give due encouragement to the American carrying trade, he thought it would be expedient to lay the same impositions on foreigners coming into the ports of the United State, as were laid on citizens of the United States going into foreign ports. Encouraging the carrying trade, in his opinion, would operate as an encouragement to ship-building, because owning American built ships should be an object to foreigners who traded with the United States, since thereby they would make a considerable saving in the tonnage; the resolutions proposing to add no additional tonnage on American built ships, though owned by foreigners. He thought that tonnage would not operate so unequally as the gentleman from South Carolina had imagined. Should its operation be unfavorable to any particular State for the present, yet the general benefit of it would soon pervade the whole, and, like water, would find its own level.

Mr. GOODHUE made some remarks on the importance of the carrying trade, and said that the decline of the business was owing to the restrictions imposed by foreigners on the shipping of the United States. In his opinion, therefore, it was necessary to meet them, in this respect, upon an equal footing, and place the shipping of the United States in the same situation as theirs. Beyond this he did not wish to go. Considering the ability of our country to build ships, he thought that branch of business ought to be encouraged, as it was a point that in a very essential manner concerned our nearest interests.

Mr. WILLIAMSON said, the question was of importance. He did not think it proper that one part of the community should be burthened for the benefit of the other. Suppose a particular State should pay eight or ten thousand dollars a year extraordinary for the public good, it would most certainly be proper to adopt some method of refunding the sum paid over and above its proportion, and then the burthen would be equalized. With respect to the policy of encouraging American vessels, he viewed

the matter in a different light from what the gentleman from Carolina did. When he mentioned the encouragement of American shipping, he confessed his ideas did not extend to a navy. He thought that period still very remote when we should be able to contend with the European powers on the watery element. He hoped, he said, Americans would never so far lose sight of their own interest as to burthen themselves with the expense of a navy; considering our situation, rather let us endeavor to make the most of the produce of our country. The farmer who earns his bread by the sweat of his brow, if his industry procures him more than he wants for his own support, he ought to have markets to go to, and every possible opportunity thrown in his way of making the most of his property. By permitting foreigners to carry our produce for us, in order to pay for the fine goods they furnish us, we have to raise more from the soil by one-third than if we carried it ourselves. The exports from some States consist of bulky articles; and the transportation of lumber to the West Indies, in foreign bottoms, consumes fifty per cent. of the cargo. It is usual for a man to fill a vessel with lumber, and then give one-half for the carrying of the other; so that one-half of the property goes out of the country never to return. In particular, too, with regard to tobacco: the value of a hoghead was about twenty-five dollars, the freight to Europe eight dollars, so that the freight was very near thirty-three and one third per cent.

He mentioned these particulars to show the disadvantage of suffering foreigners to be the carriers of our produce. Mr. W. then read a statement of the annual exports of North Carolina, and the shipping employed in carrying off the same. When it was considered what a prodigious proportion of our produce went irrecoverably into the hands of foreigners by their being our carriers, it was highly necessary to take some measures to counteract such abuse. He hoped the citizens of the United States would one day or other be the sole carriers of their own produce. For it was to the carrying trade that nations owed their wealth and consequence, and experience had shown that he that carried the produce finally became the owner of it. The gentleman from South Carolina (Mr. SMITH) had said, that the operation of the present tonnage act had either tended to increase the shipping, or it had not—if it had increased it, then enough was done; if it had not, then the failure was owing to some other cause, and the raising of the tonnage would not effect the desired purpose. To this he begged leave to reply, that the tonnage might be compared to a great weight; it was either moved or not; if it was moved, and not lifted, then there was only more strength wanted; if it was not moved, then it became necessary to have recourse to the mechanical powers of pulleys, levers, &c.

Mr. SMITH then observed, that if gentlemen

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went upon the principle of increasing the tonnage after they had set it in motion, that they might, perhaps, go to the length of two or three dollars. The gentleman had compared it to a weight when we had got the lever under it, all we had to do was to lift. But it appeared to him that we had no lever under the weight, and that we are striving to raise it without one, and may continue striving till we break our backs. If a person should take a dose of medicine, he asked whether it would not be proper to wait till he saw whether it operated or not, before he should take another? The fact was, Congress had not had time to see the operation of their measures. But a few months had elapsed since the tonnage act had begun to be in force. The proposed resolutions put him in mind of a sick man, who was informed by his physician that if he could take half a pint of medicine every day for six months, that it would restore him his health. The man then reasoned thus: half a pint a day of this potion will make me well in six months; but a pint per day for three months is equal to half a pint for six months—ergo, a pint a day for three months will cure me!

MR. JACKSON said, that he was one of the committee on the petition before the House, but that, by some accident or other, he had not notice of their sitting when they concluded on their report. He would not, however, tax the members with any design, but suppose it to have proceeded from the neglect of the messenger.

The object of the report terminated with him in three points of view: It might be considered in the light of an addition to the revenue; it might be taken as a prohibitory or retaliating law; or it might be considered as an additional encouragement to American shipping.

If it was to be considered as an object to produce revenue, the House should be careful not to overcharge it, by overcharging any article of revenue. It was an old maxim and a very just one, that frequently instead of two and two making four, two and two made but one. This operated with the House the last session, when a higher tonnage was proposed. The revenue on tonnage is, in fact, no other than a revenue on customs; for the freight is added to, or deducted from, the sale of the article paying that freight; and the higher the tonnage is made, the fewer vessels will enter your ports, and, of course, the less will be the revenue coming into your Treasury.

If it is meant as a prohibitory or retaliating law on other nations for not permitting your vessels to enter their ports, it should not have been brought in in its present form. The House should be manly and open, should act up to the American character, and inform the nations complained of why it was done. For what, he asked, could be expected from a law like the present regulation but counter restrictions and regulations, and on whom would these restrictions and regulations fall, but on our own ves-

sels? Suppose, however, that it have its full effect, and that a prohibition is the consequence, what is to become of the produce of our country? Is the hand of industry to be stayed? Is it to be arrested in the hands of its owners? Will the lumber-cutter rest satisfied with your telling him that this prohibition is necessary for the encouragement of ship-building? Will not his interest compel him to complain, and, sir, is not interest, in some measure or other, the prevailing principle? Will he be satisfied that his interest shall be neglected, and that the interest of the ship-builder shall be regarded? Will not the rice and the tobacco planter have likewise reason to complain? For, sir, if this prohibition is to take place, where is your shipping to carry off the surplus of produce? Sir, it is not in existence—the best situated State with respect to shipping employs foreigners. That we had not shipping sufficient was conceded on all sides of the House at the last session, and particularly so by some gentlemen of the greatest abilities and knowledge. He did not know that those gentlemen now would be of different sentiments; he hoped not; he had no authority to suppose it, but he would mention the words of one or two of them to show the House what their opinions then were. An honorable gentleman near him from Virginia, (MR. MADISON,) on the tonnage law, last session, had declared, that “it was admitted on all hands, that America did not furnish shipping sufficient for the transportation of her own produce, and the apparent quantity would decrease from what it was represented to be, if gentlemen considered that the American vessels mentioned in the custom house reports may clear three, four, or five times a year. This reduction of our shipping serves only to show the indispensable necessity of applying means of raising it up to what it ought to be. But, in doing this, we ought to be careful in avoiding any sudden or violent effect upon our commerce by the rise of freight.” Another gentleman, from Pennsylvania, (MR. FRIZZBENS,) at that time had absolutely declared a dollar too great for the trade to bear; his words were, “then we will not adopt such a duty as must deter foreigners from coming amongst us until we are in better circumstances. If we lay a duty of two-thirds of a dollar per ton on nations in alliance, we cannot propose to lay less than a dollar on those with whom we have not treaties. A ship of two hundred tons will then have to pay two hundred dollars, a very considerable expense, perhaps much more than our trade can bear.” If then a dollar was too much for the trade to bear the last session, can we have so soon changed our situation for the better that our trade will not feel it now? He could not suppose it.

Suppose it taken up in the last view he had mentioned, as an additional encouragement to ship-building. He would ask what encouragement was wanting? He wished the House to examine the relative situation of an American



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and a foreign vessel. The latter, if of two hundred tons, and entering our ports three times a year, paid three hundred dollars; whilst an American vessel, if she entered our ports twenty times a year, paid but her six cents per ton, once in a twelvemonth, which would amount, in a vessel of that burthen, to just twelve dollars. He begged the House to view the immense difference, and then asked if the payment of three hundred dollars to twelve was not encouragement sufficient? For his part, he was at a loss to account for the application. Fifty cents the last year was thought fully sufficient; one hundred is sought for this session, and he had no doubt but the next another petition would request two hundred. He could not tell how such people were to be satisfied, nor how far the length of such consciences would go. He believed they would not be satisfied with any thing short of a total prohibition; and if they even possessed this total prohibition, they would be like the dog in the manger, they could not eat the hay themselves, nor would they suffer others to eat it. For the shipping it was manifest they did not possess, nor was a sufficiency to be obtained in a moment. It was not this House's declaring that American shipping only should carry the produce of America, that would produce this shipping, time alone could effect it; it was granted that America could build ships cheaper than any other part of the world; this ought to be encouragement sufficient without this tonnage, and no doubt would operate as such when merchants turned their attention that way, and which their interests would naturally lead them into.

The fact was, that the American capitals which formerly were turned to that branch, had been diverted from their course during the war, and would require time to return into their proper channel, which he had not a doubt would be effected; but time, and time alone, could do this. Here he would observe, that an honorable gentleman from Connecticut (Mr. SHERMAN) had, on a former occasion, argued directly contrary to what he had yesterday declared. That gentleman, when the tonnage was then before the House, had said "that the policy of laying a high tonnage was at best a doubtful point. The regulation, he had observed, was certainly intended as an encouragement to our own shipping, but if this was not a consequence of the measure, it must be an improper one." Surely if it was a doubtful, or an improper measure the last session, it was so now; for the gentleman, in his statement of the reasons of the committee, had declared that the committee were not possessed with proofs with respect to the restrictions of other nations. Sir, shall we stumble on in the dark without those proofs? Shall we burthen a portion of our citizens without ascertaining the necessity of our doing so? Let us procure those proofs—let us have evidence of this encouragement being wanting, previous to our laying this additional weight. But, sir, who has a right to complain on this oc-

casione, the merchants of Portsmouth or the merchants of Savannah? Let us compare the grievance of tonnage in the two places. New Hampshire, sir, pays of foreign tonnage the amount of four hundred and sixty-nine dollars and fifty cents; a mighty sum indeed! From the noise made about it, an indifferent person might suppose it sufficient to satisfy the national debt. The State of Georgia, which on a former occasion was supposed barely capable of defraying the travelling expenses of their members, pays of foreign tonnage two thousand six hundred dollars seventeen cents; a difference scarcely to be compared.

A gentleman from North Carolina (Mr. WILLIAMSON) had supported the report, but hoped it never would be adopted on the principles of establishing a navy. Mr. JACKSON observed, that his reasons seemed to be the keeping the carrying trade within ourselves. Sir, it is a doubt with me if the carrying trade is beneficial to the United States; if it enriches individuals, it certainly does not the community. Writers on trade divide it into three branches: the home or coasting trade, which is allowed to be the most beneficial to the nation; the foreign trade, which is next beneficial, and the carrying trade, which is not at all beneficial, unless it be as a nursery for seamen—directly opposite to the sentiments of the gentleman. The carrying trade is therefore very beneficial to countries dependent on their navies; it is said to be particularly so to Great Britain. But, sir, is our interest the same with the interest of that nation? Does our national importance, and even our very security depend, as hers does, on the strength of her fleets? If invaded, shall we look to a navy for protection? No, sir, to the agricultural interest—to the hardy sons of the West—to the American yeomanry we shall appeal, and we shall there find support. The carrying trade is of no great consequence to us, nor is it to many other countries; it is taking a productive capital from the nation it belongs to, to be employed in the service and carrying the surplus produce of other countries. The most celebrated writers have declared, even in Great Britain, that the coal trade from Newcastle to London is the most beneficial that nation is concerned in. With us, sir, the whole coasting trade is in the hands of our fellow-citizens, where I wish it to remain, as I think it highly advantageous, and this of itself is a very great encouragement.

But, sir, if we examine what we have done, I believe, on the principle of encouragement, it will be found sufficient. I have in my hands, sir, some paragraphs of newspapers, (which he read.) By these, sir, it appears that ship-building is most rapidly advancing; a vessel is now building at Boston of nine hundred tons, one at Salem of eleven hundred, and twenty-two at Philadelphia of upwards of two hundred and fifty tons each. What more that branch of mechanics would want I am at a loss to know, unless they wish more work than they have hands

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to accomplish; for I fancy, if it was to be much more increased, they must send to other countries for the workmen. It is just the same with arts and manufactures—they are every where extending themselves, and no doubt owing to the ample encouragement given last session. Shall we, then, if we find the encouragement already given sufficient, be still adding to the burthens of the Southern States? Will not they have a right to say that they are not attended to? Because they are not clamorous with petitions, shall they be saddled with additional weights? It should be remembered that there is not, to this day, a single petition for any one request from the citizens of Georgia before Congress, whilst other States have brought before the House a number which would take three sessions to decide on; because she is modest is she to be imposed on? He hoped her still voice would at least draw some attention. He believed that the Southern States were a good milch cow to the Union; but be trusted if the Union milked her, they would not ride her at the same time—the additional tonnage appeared to him to be doing this.

He concluded with reminding the gentlemen (Mr. MADISON, Mr. FITZSIMONS, Mr. SHERMAN, and Mr. LAWRENCE) of their former sentiments, and trusted he should not now find them avowing opinions contrary to them.

TUESDAY, May 11.

TARIFF DUTIES.

Mr. FITZSIMONS, from the committee appointed for the purpose, presented a bill repealing, after the first day of — next, the duties heretofore laid upon wines imported from foreign parts or places, and laying others in their stead, which was twice read, and committed.

#### REPORT OF THE SECRETARIES OF WAR AND TREASURY.

The Speaker laid before the House a report from the Secretary of the Treasury of the Tonnage duties received in each of the States between the first of September and the first of January last, and a report of the sums of money, including indents and paper money of every kind, reduced to specie value, which have been received from, or paid to, the several States by Congress, from the commencement of the Revolution to the present time. Also, a report from the Secretary of War, of the troops, (including the militia,) and also of the ordnance stores furnished from time to time by the several States towards the support of the war. Ordered to lie on the table.

#### TONNAGE ON FOREIGN SHIPPING.

The House again went into a committee on that part of the report of a select committee on the petition of the merchants and inhabitants of Portsmouth, which relates to an increase of tonnage on foreign shipping, &c. Mr. LIVERMORE in the chair.

Mr. FITZSIMONS said, he should state some particulars to the committee, and leave them to decide what was best, without giving an opinion at present. He observed, the agricultural interest of the United States was fully represented in Congress: but if it was not, he did not conceive there was any disposition to burthen any part of the Union unequally. He observed, that the agriculture of the country, notwithstanding the duty on foreign tonnage, had not suffered; on the other hand, he would appeal to gentlemen from all quarters, whether the produce of the country had ever been in greater demand, or had sold for a better price.

He observed, one object of the report was to encourage the important business of ship-building. He enlarged on the great advantages of prosecuting this branch of manufactures, than which, perhaps, there is not one more useful and profitable pursued in the United States, considering the small value of the materials in themselves, and contrasting this with the price of a ship when completed.

He observed, that the operation of the tonnage laid last session had been advantageous to the trade of the United States. He showed how this had been the case. He then said, the benefits of the Revolution are yet to be realized by the Eastern States; the Southern States have the ports of the whole world open to them; the Eastern States are excluded from the ports to which they were formerly admitted with their most important exports. He was not, however, in favor of a duty which would prohibit foreigners from coming to our ports; he was for encouraging ships from all nations to visit our shores, by which a competition would be created in purchasing our produce. But at the same time he should lament, as a very great misfortune, to have the carrying trade of this country monopolized by foreigners. He did not doubt but the Southern States would soon see it as much for their interest, as it is for the interest of the Eastern States, to have our own vessels principally employed in carrying off our produce. He took notice of the objection, from the low price of rice, and said, this was a fact, which could not be accounted for from any other cause but this, that in the article of rice, of which there is no competition, the demand cannot be extended beyond a certain supply. He added many other observations, to which the committee appeared to be particularly attentive.

Mr. LIVERMORE contrasted the former and present situation of the merchants and traders of Portsmouth; they have been reproached for their poverty; this, however, if true, is their misfortune, not their fault; it is true, many of them are reduced by means of the loss of that trade, which they now petition Congress to interpose their authority that it may be restored. Among many other observations, he said that the number of ships which are now building in several States had been mentioned; but before the Revolution the then province of New Hamp-

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shire built more ships annually than all of these together.

Mr. BLOODWORTH observed, that there had not been sufficient time to determine respecting the question; let us patiently wait the operation of the law as it now stands; he was for accommodation, but the accommodation should not be expected all on one side.

Mr. WHITE said, he was sorry the question was brought on; we have once determined the matter after a thorough discussion, and I could have wished that we had been satisfied.

The influence of the commercial interest was anticipated by the opposers of the Constitution; will not this prove an additional burthen on agriculture? Will it not justify their predictions? Would it be just to lay an extra duty on any particular article that a certain part of the Continent could not do without? The Southern States cannot export their produce without foreign ships. This shows the injustice of the proposition; the measure would have an unequal operation; it would tend to discourage agriculture. He showed the impracticability of the Eastern States carrying the Southern produce; can they purchase that produce with specie? Have they goods to credit the Southern States for? Can they sell this produce in foreign countries upon terms equally advantageous with foreigners? I think it is evident they cannot. He said he thought sufficient had been done to encourage the shipping of the Eastern States.

Mr. PAGE.—I differ much, Mr. Chairman, from my colleague, (Mr. WHITE,) for I think the tonnage proposed by the committee, being the very same which Virginia actually laid on British bottoms, cannot be too high, as that experiment was attended with happy effects, although made by that State alone, British merchants immediately giving that freight to Virginia ships, which, till then, was refused them, and without increasing the freight in British bottoms. Indeed I thought the freight was rather lowered by it, until a gentleman from Virginia, who was here when I mentioned these circumstances the last session, told me I was mistaken. I believe, sir, that our constituents would be pleased with the retaliation proposed in the memorial on which the report of the committee now under consideration is founded; and I confess that, did we not stand in need of every means of increasing our revenue, and did not a proper tonnage furnish one considerable branch of it, I should join heartily with the memorialists. The advantage of the carrying trade, and the propriety of encouraging it, has been stated to the committee; but, independent of every other consideration, I should vote for increasing the tonnage, as the House has agreed to increase the duties on many enumerated articles.

Sir, if Congress will go that length to increase the revenue, it will be unpardonable not to have recourse to such an obvious source of revenue as tonnage; and that too, when, instead of being

a grievance, it must be highly advantageous to the United States. One dollar is the sum I wished to have voted the foreign tonnage at last session; I have heard no argument to alter my opinion, and shall therefore vote against the motion before the committee, because I think as I did when the question respecting tonnage was before us last session, that the fears of the gentleman from South Carolina and Georgia are groundless.

I believe it the interest of the Southern States that ship-building should be encouraged to the utmost extent in the United States. The fine timber which they have would then be sold to advantage in the form of ships, instead of being destroyed or thrown away under the name of lumber, or in trifling staves. Much, I know, has been destroyed in Virginia, much wasted in staves. Sir, it is their interest that their sister States should carry for them, instead of foreigners. Under the late Confederation, when each State was proud of its separate sovereignty and independent interest, and viewed each other with a jealous eye, I have heard harsh expressions respecting the growing naval strength of the Eastern States; but under the present Government, there is no reason for such reflections; their strength is the strength of the Union; and, in this respect, they are to the United States what Holland is to the United Provinces. I affirm again, sir, that we are in no danger from the retaliation of Britain; and we may with more propriety raise the tonnage than increase the duties on articles.

A message from the Senate informed the House that they have agreed to some, and disagreed to others, of the amendments proposed by this House to the bill sent from the Senate for giving effect to the act therein mentioned, in respect to the State of North Carolina. A motion to recede from the first amendment occasioned some debate, and the House adjourned without coming to a decision.

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WEDNESDAY, May 12.

The House then proceeded to consider such of their amendments proposed to the bill sent from the Senate for giving effect to the act therein mentioned in respect to the State of North Carolina, and to amend the said act, as were disagreed to by the Senate; and thereupon the House

*Resolved*, That a conference be desired with the Senate on the subject-matter of said amendments; and that Messrs. WHITE, STEELE, FOSTER, LIVERMORE, and WILLIAMSON be appointed managers at the said conference on the part of the House.

Mr. BENSON, from the joint committee of both Houses appointed to consider and report their opinion, when, according to the Constitution, the terms for which the President, Vice President, Senators, and Representatives have been respectively chosen, shall be deemed to have commenced, made the following report, which was ordered to lie on the table:

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"That the terms for which the President, Vice President, Senators, and Representatives of the United States were respectively chosen, did, according to the Constitution, commence on the fourth of March, 1789, and so the Senators of the first class and the Representatives will not, according to the Constitution, be entitled, by virtue of the same election by which they hold seats in the present Congress, to seats in the next Congress, which will be assembled after the third of March, 1791. And further, that whenever a vacancy shall happen in the Senate or House of Representatives, and an election to fill such vacancy, the person elected will not, according to the Constitution, be entitled by virtue of such election to hold a seat beyond the time for which the Senator or Representative, in whose stead such person shall have been elected, would, if the vacancy had not happened, have been entitled to hold a seat.

"That it will be advisable for Congress to pass a law or laws for determining, agreeably to the provision in the first section of the second article of the Constitution, the time when the electors shall, in the year which will terminate on the third of March, 1793, and so in every fourth year thereafter, be chosen, and the day on which they shall give their votes for declaring what officer shall, in case of vacancy, both in the office of President and Vice President, act as President; for assigning a public office where the lists mentioned in the second paragraph of the first section of the second article of the Constitution shall, in case of vacancy in the office of President of the Senate, or in his absence from the seat of Government, be in the meantime deposited; and for directing the mode in which such lists shall be transmitted.

#### TONNAGE ON FOREIGN SHIPPING.

The House went again into a committee on the report of the committee on the petition of the merchants of Portsmouth, on the increase of tonnage on foreign shipping, &c.; Mr. SENEY in the chair.

The motion for striking out the clause which proposes a tonnage of one dollar on foreign bottoms was put and negatived. A motion was then made to insert seventy-five cents in lieu of a dollar, which was also negatived. The committee then rose, and reported progress.

THURSDAY, May 13.

The petition of sundry persons of the denomination of people called Quakers, in the State of North Carolina, was presented, praying relief against the operation of an act of the Legislature of the said State, by which they are deprived of the right of pre-emption to certain lands which they held under the laws thereof. Referred to Messrs. HEISTER, ASHE, and GALE.

Mr. BALDWIN, from the committee to whom was referred the memorial of the officers of the late navy, made a report, which was ordered to lie on the table. This report was in favor of granting the prayer of the memorialists, viz. that they should be placed on a similar footing with the officers of the late army of the United States, and be allowed five years' pay; laid on the table.

#### TONNAGE ON FOREIGN SHIPPING.

The House went again into a committee on the report of the committee on the petition of the merchants of Portsmouth on the increase of tonnage on foreign shipping, &c.

Mr. SMITH, of South Carolina, moved an amendment to the clause, postponing the commencement of the duty to the first of January next, which was agreed to.

Mr. MADISON said, that he was friendly to the proposition, as its object was an extension of the American navigation, but had very great doubts whether it would answer the design of gentlemen, so far as it was pointed against that nation whose shipping most interfered with the American shipping; We cannot at present enter into a full competition with the British nation in this business. He entered into a general consideration of the influence this enhanced duty would have on the navigation of the European nations, and doubted much the policy of laying this duty on the shipping of France. By some recent transactions, it appears that our commercial advantages with some of the Powers of Europe will be greatly increased; the trade of France will probably be of three times the benefit to the United States with that of any other commercial country whatever. He gave a detail of the encouragement which France gave to the oil business, and in this encouragement he intimated that sentiments of friendship were mingled with those of interest and policy. The exportation of tobacco to that kingdom is an object of very great importance; rice is another article which begins to be received under great advantages there; flour and grain will in four or five years find a great demand in that country. This is at present the case, and from the state of the harvest from time to time the same will frequently happen; the preference they give to ships and vessels built in the United States should be taken into consideration; this is a very important branch of business; salt provisions will become another article of export, the advantages of which will be felt by the most interior and remote parts of this country. The French West India Islands admit our vessels; it is true the access is contracted, but experiment will continue to point out their true policy; still the mode of carrying on commerce with those islands is very advantageous to us, as it is carried on in our own bottoms. He much doubted the eligibility of the measure, as it might conduce to influence the nations of Europe to make a common cause of the restrictions laid indiscriminately on the maritime Powers of Europe.

The great object of this speech was a discrimination between British and other foreign shipping of nations not in alliance and that of those which are; and pursuing the idea further, he observed, that a consuming country has the advantage over a manufacturing country. We can do better without Great Britain than she can do without us; articles of luxury can be retrenched with advantage.

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He attended to the objection from the Southern States, which are so deeply connected with the British; said that it was to be lamented that measures, calculated to promote the general good, should militate with any particular interest; a maritime force, in case of war, is the only hope of the Southern States; not that he was in favor of a navy, but the eligibility of an increase of those resources which might be converted into such a marine force as would be absolutely necessary on such an emergency must be obvious to every one. In case of war the Southern States would be the first objects of attack.

The Southern States may build ships, and in this business enjoy some advantages over all the rest. There are cases in which it is better to do nothing than not to do a great deal; he intimated that it might be good policy to interdict the vessels of all nations from carrying our produce.

Mr. FITZSIMONS observed, that the question was fully agitated the last session; he was one of those who were in favor of the discrimination at that time, but he now greatly doubted the propriety of the measure. France does not furnish ships in such numbers as to make it any great object with her to be exempted; those measures which are calculated to diminish the navigation of her rivals she would consider as an indemnification for the enhancement of the duty on her own. With the additional heavy tonnage now proposed, Great Britain has so great a surplus of shipping, that she cannot employ them so advantageously in any other way as in the trade of America. America is the best foreign market that Great Britain has; this every man may be convinced of who looks at what covers him. He instanced a number of articles, especially lumber, which Great Britain is absolutely dependent on America for; and she has no market for upwards of four million gallons of rum but the United States. The sale of this rum is a source of greater profit than all her other West India trade. We enjoy great and increasing commercial advantages from the adoption of the Constitution. I should be extremely sorry to risk these advantages by adopting the motion, and if this is to be a condition of enhancing the tonnage, I shall, as at present informed, vote against it.

Mr. AMES, in opposition to the motion, observed, that from the introductory observations of the gentleman, he anticipated something which would conduce much to the advantage of our allies: but it had terminated in a proposition to testify our gratitude to that nation, which in any event cannot be much benefited by the discrimination proposed, if it should be adopted. Adverting to what had been said upon treaties, he doubted whether any treaties were of any advantage to us, and therefore he was not solicitous to have them increased. Our ships are at present, notwithstanding the treaty, admitted with almost as much facility into the British as into the French islands. The great design in the increase of tonnage is to increase

our own navigation; but the gentleman's plan is to testify our gratitude to our allies by waging a commercial war with nations not in treaty. The question the last session was thoroughly discussed, and he hoped that it would not be renewed the present, especially when it is considered that the other House was so strongly against it. If we make a distinction here, we ought to carry it through, and lessen the duties in other instances.

The question being put, it was carried in the affirmative, ayes 32, nays 19. The resolution as amended was then agreed to by the committee, and stands thus:

"That the tonnage on all foreign-built bottoms belonging to nations not in commercial treaty with the United States, be raised to the sum of one dollar per ton, from and after the first day of January next."

The committee rose, and reported progress.

FRIDAY, May 14.

A message from the Senate informed the House, that they had agreed to the report of the joint committee, appointed to report their opinion as to the commencement of the terms for which the President, &c. were chosen; also, that they have passed the bill for the encouragement of learning, with several amendments, to which they desire the concurrence of this House.

Mr. BLAND, from the committee to whom was referred a motion respecting the arrears of pay due to a part of the troops of the Virginia, North Carolina, and South Carolina lines, made a report.

A petition from sundry citizens of the United States, captured by the Algerines, and now in slavery there, was presented, praying the interposition of Congress in their behalf, referred to the Secretary of State.

Mr. WADSWORTH, from the committee appointed for the purpose, presented an amendatory bill to regulate the trade and intercourse with the Indian tribes, which was twice read, and committed.

#### TONNAGE ON FOREIGN SHIPPING.

The House again went into a committee on the report of the committee on the petition of the merchants of Portsmouth, on the increase of tonnage on foreign shipping; Mr. BOUDINOT in the chair.

Mr. MADISON moved an addition to the resolution agreed to yesterday in the following words, viz.

"That from and after the — day of — next the tonnage on all such vessels be raised to —; and from and after the — day of — next no such vessel be permitted to export from the United States any unmanufactured article being the growth or produce thereof."

Mr. FITZSIMONS said, he very much doubted the policy of adopting this proposition. He thought it an experiment of too bold a complexion, considering the recent establishment of the Government and the present situation of

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the commerce of this country. He thought we were not prepared to hazard the consequences which may result from the operation of a system which would grow out of so great a change in our commercial affairs. Its present operation would only be to raise the price of imports.

Mr. LAWRENCE said, that he was apprehensive that the articles of produce would lie upon our hands, if this measure should be adopted, which would be an injury to us. The calculations upon the effect of its being a beneficial proceeding may be mistaken calculations. The manufactures of Great Britain and their manners are in some degree congenial to our own; and, although we have not the privileges that could be desired, yet we find our connexions increasing with that country. He was of opinion, therefore, that the motion might prove disadvantageous; neither could he see any immediate necessity for its adoption.

Mr. HARTLEY observed, that if the question was now put, he should vote for the discrimination. It may be doubtful whether the first rate of tonnage, as reported by the select committee, is not too high; but this may be corrected in the House. In private life, said he, the man who shows himself my friend, I should affectionately regard. To the man who treats me with esteem I would wish to make a proper return; but the man who is vindictive, and strives to ruin my interest and my property, I would endeavor to counteract or oppose by measures which might defeat his purpose. The same principles or conduct may, perhaps, be fairly applied to nations. I can say for myself, I feel no enmity towards Great Britain, so long as she treats this country with the justice and respect due to us; but she seems indirectly, nay, I might almost say directly, by her policy and regulations, to attack our ship-building, navigation, and commerce, and wishes to injure our interests and our property. We have a right to oppose her by counter regulations, or by a system which may induce her to examine the subject, to correct her errors, and to do us justice. Past injuries may be forgiven. I will agree that those of the war shall be in the dust. But when I agree that the injuries of one nation shall be in the dust, I must also observe that our friendship for another nation, who served and relieved us in distress, should be in marble.

At the last session, it was said that Britain was disposed to do us justice, and relax from some of the policy she had practised. We were desired to wait, and all should be well. We waited, but at this session we cannot learn from any authentic documents that she has stirred in the smallest degree. Since the adoption of the new Constitution, and the formation of this Government, Great Britain has experienced many advantages; she has gained much by the sweets of commerce. This Government has shown the fullest disposition to comply with the spirit of the treaty. We have established tribunals of justice, in which British subjects

may recover satisfaction for any demands they may have against the individuals of these States, without the smallest danger of partiality or injustice. What has she done in return? She has been civil in some instances, for which we give her credit; for her friendship or justice we cannot say so much. The attack upon our commerce has been spoken of before. Why has she not given up the posts? She still retains them, though by solemn treaty she was bound to deliver them up; and to the want of these posts we may, in a great measure, impute the depredations and murders of the savages upon our Western frontiers. I do not say that the British countenance or support those invaders; but were the posts in our hands a great check might be given to such enormities.

It has been observed, that we risk much by adopting the resolution; a commercial warfare might turn out ruinous to America. If our risk is great, that of Great Britain will be greater; she has immense capitals in this trade; we import many of her luxuries; we are chiefly clothed in her manufactures, and I think it will be difficult, if not almost impossible, for her merchants to change those capitals into other channels, so as to be equally productive. I say, as at present informed, I shall vote for the resolution.

Mr. SEDGWICK said, he was induced to believe this a measure of very great impropriety, and one that would prove injurious to the interest of the United States. He could not tell for what purpose, or what was the object of this discrimination. Who are concerned in the carrying trade? We are declaring against one country in favor of another; for what purpose? Do gentlemen expect that France will aid our carrying trade? He believed not. It is a useless declaration, an impotent measure of passion, said Mr. S., not dictated by the understanding; and supposing the effect intended should not be produced, the consequence would probably be advantageous to Massachusetts, but very injurious to Georgia.

Mr. SMITH, of South Carolina, thought it highly impolitic to enter into a commercial warfare with Great Britain. We ought not to condemn her for following her usual policy in her navigation laws; they are not particularly aimed at us; her navigation act was originally aimed at the Dutch. We have not heard of any alteration particularly against this country, and therefore we have no room for being displeased. Whenever she finds it her advantage, she will propose a commercial treaty, perhaps now, at the present time, it may be contemplating. The Parliament rose in August last; a new Parliament may act differently, and it will be more becoming in us to wait for some little time than precipitate this measure. This country has been so disjoined since the peace, that we could not form any treaty with advantage; and even now our Government is but little more than a year old.

With respect to the advantage Great Britain



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reaps from her trade with this country, which advantages she will lose by the adoption of this measure, we shall also be injured. The effect may be more alarming than is now apprehended, and may bring about a revolution in one year.

Great Britain is a more compact country, and has a more stable and permanent administration; but we change our administration every two or three years; this gives them a decided advantage, and they might cripple our commerce exceedingly from one Congress to another.

The gentleman from Virginia has said, that we have it in our power to starve the West Indies; but he thought this an idea altogether repugnant to the feelings of Americans; they would prefer a surreptitious trade to such a principle.

Some articles from America pay no duty in England, which pay duty from other countries; we have, therefore, some indulgences there which are not allowed us in France.

Mr. S. concluded by observing, that we should not resent the policy of Great Britain's supporting her own navigation laws, from which he read some passages, and then declared his opinion, that if the proposition under consideration should be carried in the House, it would prove very injurious to the interests of this country.

Mr. MADISON replied to the several arguments against his motion. A gentleman, said he, (Mr. SEDGWICK,) had called it "a measure of passion." He observed that it had neither been dictated by passion, nor supported with passion; he considered it as a cool, as well as a proper measure, and believed that the more coolly it was examined, the more proper it would appear. If any thing more were to be done, let it be something that will be effectual.

As to the distinction proposed between nations in treaty and not in treaty, that point had been discussed and decided yesterday, and was no part of the argument to-day. It was agreed on all hands, that the measure reported by the committee was levelled against a particular nation, though it was not named. Why then ostensibly involve other nations for whom it was not intended; and by making no difference in favor of those in treaty, teach others to consider a treaty with us as of no value? He said, we were the less restrained from making the distinction, because the nation against which the measure was designed to operate, had not hesitated to set the example, as far as her supposed interest went. He had before shown, that the principle on which the trade with the West Indies was regulated by Great Britain was a departure from the principle of her navigation act: according to that act, all other nations were allowed to carry directly their own produce in their own vessels, wherever the same trade was allowed by the act to British vessels.

A gentleman from Pennsylvania (Mr. FITZSIMONS) was afraid the measure was too bold a

one. But why was it too bold, if, as the weighty information and arguments of the gentleman himself had shown, there was no danger? If the existence of the West Indies and the prosperity of Great Britain depended so materially on the trade with the United States, that it would be madness in her to hazard an interruption of it?

Mr. M. then proceeded to review the European and West India commerce of the United States. He stated the imports to be, from Europe, about £3,039,000; from the West Indies, £927,438: total, £3,966,438. The exports to Europe, £3,202,448; to the West Indies, £941,552: total, £4,244,000.

He stated the export and return freight to Europe to be estimated at £500,000; to the West Indies, £250,000: total, £750,000. For the return freight, which was estimated at one-tenth of the export freight, he deducted £45,454 10s., which left for the value of the export freight to Europe £454,545 10s. By applying a like rule to the West India freight, he made the total export freight to amount to £681,818 5s.; of this he computed two-thirds, or £454,545 10s., to be enjoyed by British vessels. He took notice here, that the proportion of foreign to British tonnage, employed in the exports of Great Britain, was stated by Lord Sheffield as no more than one to twelve.

The amount of the freight, at two pounds sterling per ton, employs 227,272 tons of shipping; or, allowing two voyages a year, 568 vessels of 200 tons burthen each.

The shipping, allowing six men to 100 tons, employs 6,816 seamen; or allowing one man to fifteen tons, which was perhaps a better estimate, 7,575 seamen.

He asked whether it was conceivable that Great Britain would give up all these advantages, rather than put the commerce of the two countries on such a footing as would be reasonable and reciprocal? Whether she would throw away, and into her rival's hands too, a freight of near half a million sterling? Whether she could bear to see between five and six hundred vessels rotting in port, or sold to others to be employed in the business, sacrificed by her? He asked what would become of seven or eight thousand seamen, thus turned out of employment? And whether they would not enter into the service of other nations, and particularly of the United States, to be employed in the exportation of our produce?

He took notice of the immense loss that would be sustained by the British merchants on the capital employed in the American trade, particularly the rice and tobacco. Near one hundred thousand hogsheads of tobacco, not more than ten or twelve thousand of which were consumed in Great Britain, annually went almost all through their hands. The same thing might be said of one hundred thousand barrels of rice annually exported from the United States.

The manufacturers, he said, would be still

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more distressed by the want of the American market. Many articles, which were luxuries to this country, and which it would be better without, gave bread to that class of people. Their distresses would increase the spirit of emigration, already so much dreaded by the policy of that nation. He observed, that Great Britain would be the more unwilling to risk an interruption of her trade to the United States, because it would hasten the establishment of American manufactures, which she had always endeavored to prevent, and thereby cut off for ever this important market for her. Such a danger would be particularly alarming, as her three great staple manufactures, of leather, iron, and wool, were those which were making the greatest progress in this country, and would be most aided at her expense.

As to the British West Indies, it had been fully shown that they could neither prosper nor subsist without the market of the United States; they were fed from our granaries. Without our lumber, which, it was admitted, could be supplied no where else, they could not carry on their trade, or support their establishments. In the sale of their rum, on which the profits of their labor essentially depended, they had no resource but in the consumption of this country. He said, the whole amount of rum sent to other foreign countries did not exceed eight or nine hundred thousand gallons, which was not more than one-fifth of what was imported into the United States; besides their loss in this respect, they would have the mortification to see the vacancy in our market filled by rum made from molasses supplied by rival islands. In case of war, which happened every ten or twelve years, or a season of famine, which happened every three or four, he said the condition of the British islands must evidently be such, that she could not fail to provide against the contingency by proper concessions, unless she should infer from our conduct that they are not necessary.

He added, as a consideration which he thought of great weight, in favor of the measure, that in case any negotiations should take place it would put our Executive on proper ground. At present, the trade with Great Britain was precisely in that situation which her interest required, and her King could moreover regulate it according to circumstances. On our part, the Executive could neither offer nor withdraw any thing. He could offer nothing, because Great Britain was already in possession of every commercial privilege she desired. He could not say, give us reciprocal privileges, or yours shall be withdrawn, because this must be done by a legislative act. By passing the act proposed, the Executive will be enabled to speak a language proper for the occasion. He can say, if you do not give the United States proper privileges, those given to you shall not be continued.

Mr. FITZGERALD observed, that, notwithstanding all the gentleman (Mr. MADISON) had said,

he could not help considering the measure as a very bold one. Great Britain maintains her West India islands at an expense which no other nation can support. This system she must persevere in at all risks and hazards, and she will do it. The ships of this country are not, and will not, for several years, be sufficient to export the produce of the United States, and if we exclude the British shipping, our produce must remain on our hands. This would be productive of consequences which every one must contemplate with distress. The ships of Great Britain comprehend almost entirely what is called foreign shipping; by adopting this measure we shall, in effect, cut off the Southern States from all opportunity of exporting their produce; and as I think it must be a long period, if ever it should arrive, before the Southern States will become manufacturers or ship-builders, it appears necessary that till such time as the American shipping shall be sufficient to carry off their produce, that we should not exclude this navigation, especially as the present capital of this country is not sufficient to furnish a present supply. He said, to encourage our own shipping, he thought the enhanced duty on tonnage was prudent; but beyond that he could not think himself justified in going.

Mr. WILLIAMSON stated some particulars respecting the treaty of peace, and said that a commercial treaty was on the point of being concluded at that time; but the British minister having received information that our ports were opened to her ships, broke off the negotiation, as she enjoyed all that a treaty could give without binding herself.

Mr. LAWRENCE thought the information of the gentleman last up of the highest importance, and therefore wished the business now under consideration to be postponed until such time as this information could be more completely laid before the House. We have not yet, said he, furnished the President with means to send a person to Great Britain to negotiate any treaty; the bill has not yet passed the Senate empowering him to nominate ambassadors, &c. He thought the same arguments which had been used against the duty on tonnage might have been applied against laying a duty on rum, coffee, or sugar. To prohibit British vessels from exporting our produce, he did not believe would be thought so very disadvantageous to them; they might find other employ in exporting for other countries, even from Ireland to the West Indies. If we exclude their vessels, we exclude their capitals; and it is well known that a great many of the British merchants have their capitals invested in the trade with America.

Mr. L. further called on gentlemen to remember, that this country had many indulgences allowed her in Great Britain, which she did not allow to other countries; and instanced the articles of iron, flaxseed, pot and pearl ashes, &c.

Mr. JACKSON agreed with Mr. LAWRENCE in his observation that this was not a proper

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time to adopt the measure proposed, as he was apprehensive that if British bottoms were prohibited, our produce would be left on our hands. He agreed with Mr. HARTLEY in his observations respecting the Western posts. He viewed the retention of these posts with indignity, as much as he viewed the carrying trade in any but our own vessels; but, he said, time was necessary to bring about a proper regulation. Shall we go to war with ourselves? He said he fully approved the sentiments of the gentleman from Virginia, yet such is the present situation of the United States, that he could not assent to adopting the proposition, as we are by no means prepared for the consequences.

Mr. PAGE remarked, that the whole stress of the arguments against the resolutions before the committee still rested on a supposition that Britain would retaliate. He reminded the committee of the different arguments which he and other members had adduced to show the improbability of that supposition; and remarked that those gentlemen who had agreed to raise the tonnage on her ships to one dollar, but refused to do this unless we made our allies pay the like sum, expressed fears very unbecoming members of this House. Sir, said he, we are supposed to dread what is called a commercial war with Britain; how much more will she not suppose we must dread a war of another denomination? If we are thus timid, we shall shudder at Britain's resentment; if she sees this, she would not only hold the posts she now has within our territory, but she would advance and augment them; she would insist upon our taking off the duties which we have laid on her commodities. These fears, added he, would scarcely become us in our old Colonial capacities; they are highly unbecoming in our present independent situation, and are extremely impolitic. But if some gentlemen are so much afraid of disobliging the English, should they not have some fears lest they disoblige the French? Is it wise to disgust that nation and our other allies, and bring down at least their contempt upon us, if not a restriction of our commerce with them? Can it be prudent to make no distinction between the nation which views our rising greatness with mortification, and which against its most obvious interest restrains our commerce, and that nation which, at this moment, is exulting in the enjoyment of liberty, for which they gratefully acknowledge they are in a great measure indebted to America, which they had first rescued from the tyranny of that nation, to whom, contrary to the present interests of their own merchants, they opened a beneficial commerce? The French must be exceedingly hurt by the observations which some gentlemen have made on our connexion with France, and the preference they seem disposed to give to Britain. But, sir, who can suppose that what are called indulgences of Britain are any thing more than what her own interest evidently dictates? She

increases her revenue nearly seven hundred thousand pounds per annum by a duty on tobacco alone. The importance of the tobacco trade to her was evident in the late war, when her merchants gave two shillings and six-pence sterling per pound for it in this city, and afterwards paid fifteen pence duty in England. It was proved by Mr. Glover, when he appeared at the bar of the House of Commons in support of the merchants' petition against entering into the war with America, that one-third of the whole trade of Britain depended on the thirteen colonies, now the United States; and it is certain that at this day, although she has lost much of that trade, she enjoys a great proportion of it, and, as my colleague clearly proved, advantages result from it which she has with no other nation. As to her turning her trade into another channel, as has been intimated, she must be a loser by it.

It is said, that Britain gives us a generous preference to Russia; but the balance of trade with Russia, and every other country in Europe, I believe, except Portugal, is against her. But, sir, it is said that we may hurt the feelings of the British, who otherwise would conclude a treaty which they seem disposed to make, now they have a power in America with which they may treat. That Power, sir, has existed above twelve months, and might have been long since applied to; but I believe it never will be applied to, unless Congress render the application necessary by some such means as are now proposed by the resolutions before us. I believe the wisest and best men in England wish we would compel their King to treat; for to him is entrusted the regulation of the commerce with America. The wisest minister that nation ever had (Mr. Pitt) proposed, as soon as the preliminary articles of peace were signed, to put the trade with America upon the same footing on which it stood prior to the war; but his plan was rejected, merely because the American States seemed disposed to be as dependent in their commerce upon Great Britain as when they were her colonies; and a bold experiment has been made of the truth of Lord Sheffield's assertion, that America cannot exist without the trade of Britain, and that even Massachusetts would return to her former subjection to that country rather than be deprived of her carrying trade and fisheries. Sir, such assertions ought to rouse an honest indignation, or at least a firm resolution to show that they are groundless. I repeat it again and again, that it is the wish of Virginia to do this. I have been asked why we did not make a discrimination between our friends and our enemies? Sir, I call not the British enemies; they are no longer enemies; but I have been told by my countrymen, that so long as they hold posts within our territories by an armed force, they ought to be viewed as enemies; that so long as they restrain our merchants from trading with them, and burn our vessels in their ports, they cannot deserve the name of friends.

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Mr. BLAND was nearly of the same opinion with Mr. PAGE, and said he could not see the least reason to apprehend any danger of a commercial warfare. He stated sundry arguments of the opposers of the amendment, and read extracts from their speeches, which proved to be perfectly contradictory to their present mode of reasoning. He further quoted some historical facts, respecting the conduct of Britain not long since, in regard of making a discrimination between the wines imported from Portugal and those imported from France. This was resented by the Portuguese, who immediately prohibited the importation of British cloths, which had such an effect, that Britain instantly entered into a commercial treaty, and put Portuguese wines on a better footing than the French wines, by giving them exclusive privileges. I would therefore ask, said Mr. B., is the trade of Portugal, that small country, of more consequence to Britain than the trade of this Continent? I think not. Neither have I the least apprehension that they will risk the loss of our commerce; and should they attempt it, we need not give ourselves the trouble of complaining, their own merchants and planters in the West Indies will remonstrate, as hath been already experienced. He concluded by observing, that the proposed amendment would hold out the language of this country and of the House, by showing them what we meant to do at a future day; and he thought the time mentioned (first of January next) a very proper one. If they wish to enter into a commercial treaty, it may be completed before that day arrives.

The committee then rose and reported to the House the following resolution, which was agreed to:

*Resolved*, That the tonnage on all foreign-built bottoms, belonging to nations not in commercial treaty with the United States, be raised to the sum of one dollar per ton, from and after the first day of January next; and that, from and after the — day of —, the tonnage on all such vessels be raised to —; and that, from and after the — day of —, no such vessel be permitted to export from the United States any unmanufactured article, being the growth or produce thereof: *Provided*, That this resolution shall not be extended to the vessels of any nation which permits the importation of fish, or other salted provision, grain, and lumber, in vessels of the United States.

*Ordered*, That a bill or bills be brought in, pursuant to the said resolution, and that MESSRS. MADISON, SEDGWICK, and HARTLEY do prepare and bring in the same.

MONDAY, May 17.

Mr. MADISON, from the committee appointed for the purpose, presented a bill concerning the navigation and trade of the United States, which was twice read, and committed.

The House agreed to the amendments of the Senate to the bill for the encouragement of learning.

The report of the joint committee on the disagreement between the two Houses in the amendments proposed by the House to the bill for adapting to the State of North Carolina the act therein mentioned, and for amending said act, was read. This report proposes that the House should recede from those amendments. The House agreed to recede from the first amendment, and the District Court for the State of North Carolina is now to be held at Newbern only. The second amendment was to provide for the holding of the District Court alternately at Exeter and Portsmouth, as in the Judiciary bill; it was moved to recede from this amendment. This was opposed by Messrs. FOSTER and GILMAN, and advocated by Mr. LIVERMORE.

The question for receding being put, was lost, and the House voted to insist on their amendment.

The House proceeded to consider the resolutions reported by the committee to whom was referred a motion of the seventh instant, respecting the arrears of pay due to a part of the troops of Virginia, North Carolina, and South Carolina lines, and agreed to them, amended, to read as follows:

*Resolved*, That the President of the United States be requested to cause to be forthwith transmitted to the Executives of the States of Virginia, North Carolina, and South Carolina a complete list of the officers, non-commissioned officers, and privates of the lines of those States respectively, who are entitled to receive arrears of pay, due for services in the army in the years 1782 and 1783, annexing the particular sum that is due to each individual, with a request to the Executives of the said States to make known to the claimants, in the most effectual manner, that the said arrears are ready to be discharged on proper application.

*Resolved*, That the President of the United States be requested to cause the Secretary of the Treasury to take the necessary steps for paying, within the said States respectively, the money appropriated by Congress on the 29th day of September, 1789, for the discharging the arrears of pay due to the troops of the lines of the said States respectively.

*Resolved*, That the Secretary of the Treasury, in cases where the payment has not been made to the original claimant in person, or to his representative, be directed to take order for making the payment to the original claimant, or to such person or persons only who shall produce a power of attorney, duly attested by two Justices of the Peace of the county in which such person or persons reside, authorizing him or them to receive a certain specified sum.

A motion was made that the last paragraph should be referred to a select committee for the purpose of reporting a bill. This was negatived.

Mr. SMITH, of South Carolina, moved for the yeas and nays on the resolutions, but an adjournment being called for, precluded their being called.

TUESDAY, May 18.

The House resolved itself into a Committee of the whole on the report of the joint commit.

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tee, appointed to consider and report when, according to the Constitution, the terms for which the President, &c. should be deemed to have commenced; Mr. SENEY in the chair.

A considerable debate took place on this report. It was opposed by Messrs. WILLIAMSON, STONE, BLAND, and VINING. Mr. GERRY proposed several amendments, one of which only was adopted, viz. that "Senators and Representatives" should be struck out, and "Senate and House of Representatives" inserted in lieu thereof. The report was advocated by Messrs. BENSON, LAWRENCE, SEDGWICK, LIVERMORE, and SHERMAN.

In the opposition it was said, that the Constitution was explicit in declaring that the members of the House should be chosen every second year, plainly implying that they were elected for two years; that it was a dangerous precedent for Congress to construe the Constitution; that if the report be adopted, the State of North Carolina will not, in all probability, be represented in the next Congress: as the circumstances of that State do not admit of their assemblies being convened more than once a year; that the session is commonly in November, and if a new election should then be ordered, it will be unconstitutional, as it would be holding two elections in one year, instead of being biennial. That the report is not true in fact, as North Carolina was not represented in Congress on the fourth of March, 1789. It was further observed, that there was no necessity for the interference of Congress in the business, as every successive House must be the sole judge of the qualification of its members, and the next Congress will determine for itself, let the present Congress pass what laws they please; that the report contained a direct breach of the Constitution, as that expressly declares the members shall be chosen every second year; whereas the State of North Carolina, in order to be represented, must hold two elections within one year. It was further said, that the Constitution does not explicitly say any thing about a new Congress; the report was an interference with the right of election, and as such would contravene the sentiments of the people.

In support of the resolution, it was urged, that from the contrariety of opinions which appeared on the subject, it was absolutely necessary that some regulation should be agreed upon, previous to such questions as have now been stated being brought before Congress. Agreeable to the observations now offered in objection to the report, there never will be an entire change of the representation; this induces a principle incompatible with the nature of a democratical body; it changes it into an aristocracy, and gives it a perpetuity entirely unknown to any of the States in the Union; it prevents the formation of a new Congress, and a rotation in the elections of the people; with respect to North Carolina, no physical or natural impossibility has been pointed out to show

that that State cannot be represented in the next Congress; and if the State should be remiss in making seasonable provision in this respect the Constitution invests Congress with powers to do it. It was further said, that if no determination was now made, it may happen that no new election for that State may take place, and therefore, to secure its representation, the necessity of the report is apparent, as it is not probable that members chosen for one Congress will, by virtue of such choice, be permitted to take a seat in the next succeeding Congress. It was said, that the term specified refers to Congress as a body, and not to the particular members; that as the Constitution by a fair construction contemplates a succession of distinct assemblies, it clearly follows, that a dissolution must precede a new election of such assemblies, which necessarily involves a cessation of the political existence of the members, &c.

A motion in the midst of the debate, for the committee's rising, was negatived, as was also a motion made by Mr. WILLIAMSON to strike out the word "Representatives."

The committee, after some time, rose and reported the resolutions submitted to them with but one amendment. The House agreed to the resolutions, and ordered a bill to be prepared in conformity thereto. Messrs. BENSON, CLYMER, HUNTINGTON, MOORE, and CARROLL were appointed a committee for this purpose.

WEDNESDAY, May 19:

A message from the Senate informed the House, that they have passed a bill to prevent bringing goods, wares, and merchandises from the State of Rhode Island and Providence Plantations into the United States, and to authorize a demand of money from the said State, to which they desire the concurrence of this House; and that they disagree to the amendment insisted on by the House to the bill for giving effect to the act therein mentioned in respect to the State of North Carolina, and for amending said act.

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On motion of Mr. VINING, the House resolved itself into a Committee of the whole on the bill for making provision for the debt of the United States; Mr. SENEY in the chair.

The section in which six hundred thousand dollars is appropriated for the services of Government, Mr. JACKSON moved should be struck out, to leave the provision for that object at large; he observed that the exigencies of Government might be such as to require a much larger sum, in which case it would lie at the mercy of the public creditors.

This motion was objected to by Messrs. SEDGWICK, BOUDINOT, GERRY, and STONE; it was observed that it struck at the principle of the bill, which contemplates a sacred deposit, or appropriation for the use of the public creditors; that on such an appropriation the public credit and the hopes of the creditors are sus-

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pended, and without which such a violation of the public faith would ensue, that no exigencies, however great, would enable Government to command those resources which every country may be necessitated to apply to.

The motion was negatived by a large majority.

The section which provides that a loan shall be made by the Secretary of the Treasury, Mr. MADISON moved should be amended by striking out the words "Secretary of the Treasury," and inserting "that the President of the United States" cause a loan to be effected, &c. This motion occasioned a debate; it was supported by Messrs. AMES and GERRY; Messrs. BLAND and LAWRENCE were in favor of such a modification as that the power should devolve on the President agreeable to the Constitution, and not by law. Mr. SMITH, of South Carolina, Mr. SHERMAN, Mr. LIVERMORE, and Mr. SEDGWICK were in favor of the clause as it stood in the bill. The motion was carried in the affirmative; a further amendment was made, empowering the President to direct the application of the loan to the several objects for which it is to be effected.

The committee rose and reported progress.

THURSDAY, May 20.

The disagreement of the Senate to the amendment insisted on by the House, to the bill for giving effect to the act therein mentioned, with respect to the State of North Carolina, was taken into consideration. Mr. LIVERMORE moved that the House should recede. Mr. GILMAN opposed the motion; he observed, that it would be an improper sacrifice of the sentiments of a majority of the House, repeatedly declared, to gratify the wishes of an individual member of the Senate. Mr. THATCHER, Mr. HARTLEY, Mr. SENEY, Mr. BURKE, and Mr. GERRY, were against receding. Mr. SEDGWICK, Mr. SMITH, of South Carolina, and Mr. MADISON, spoke in favor of the motion. It was observed, that to reject the report of the Committee of Conference, when being so nearly unanimous, was to destroy the utility of such committees.

The motion for receding was negatived; in consequence of which the bill was lost.

On motion of Mr. WILLIAMSON, a committee was appointed to bring in a bill to adapt to the State of North Carolina the Judiciary laws of the United States. The SPEAKER nominated Mr. WILLIAMSON, Mr. GERRY, and Mr. STEELE for this committee.

Mr. STEELE laid the following motion on the table:

"That a committee, to consist of a member from each State, be appointed to inquire into, and make report on the proceedings of the several States respecting the amendments proposed by Congress at their last session, to the Constitution of the United States; also to report what further amendments are necessary."

Mr. STEELE added a few remarks to this motion which referred principally to the subject of

elections, respecting which, he said, the "feelings of the people were tremblingly alive."

Mr. SEDGWICK moved that the report of the select committee on the memorial of J. Hart and R. Wells respecting the old paper money, should be taken into consideration by the Committee of the whole, while on the bill for funding the debt of the United States. This motion was objected to, but, after a short debate, was carried in the affirmative.

PUBLIC DEBT.

The House again went into a Committee of the whole on the bill making provision for the debt of the United States, Mr. SENEY in the chair.

Mr. SEDGWICK called for the reading of the report on the memorial of Hart and Wells.

Mr. S. then moved to annex to the several denominations of certificates proposed by the bill to be funded, the bills of credit issued by the authority of the United States in Congress assembled. This motion occasioned a lengthy debate; it was finally agreed to, after being amended, on motion of Mr. MADISON, to read thus:—"Those [meaning certificates] which shall be issued for the bills of credit issued by the authority of the United States in Congress assembled, at the rate of ——— dollars in those bills for one dollar in specie."

It was then moved to fill up the blank. Mr. HARTLEY proposed 100; Mr. SCOTT, 500; Mr. PARTRIDGE, 40. Further debate ensued on the motion; the Committee rose without deciding it.

FRIDAY, May 21.

Mr. WILLIAMSON, from the committee appointed for the purpose, presented a bill for giving effect to an act to establish the Judicial Courts of the United States, within the State of North Carolina, which was twice read and ordered to be engrossed.

A message from the Senate informed the House that they have agreed to the resolutions of this House of the 17th instant, respecting the arrears of pay due to a part of the troops of the Virginia, North Carolina, and South Carolina lines, for the years 1782 and '83, with several amendments, to which they desired the concurrence of this House.

PUBLIC DEBT.

The House again went into a Committee on the bill making provision for the debt of the United States, Mr. SENEY in the chair.

The blank in the clause added yesterday, respecting the bills of credit, or paper money, was filled up with "one hundred." By this vote the Committee agreed to fund those bills at one hundred dollars for one dollar in specie.

Mr. HEISTER proposed an amendment, by way of proviso, to the following purport: "That this clause shall not be deemed to be a rule to the commissioners for settling the accounts between the United States and individual States." This proviso, after a short discussion, was negatived.



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An amendment proposed by Mr. BOUDINOT, to the clause which specifies "indents" was agreed to, to the following effect: "Provided, that the interest paid by any of the States on certificates of either of the above descriptions, and endorsed on the same, shall not be funded as aforesaid; but in such case, indents of interest shall be issued from the Treasury of the United States in favor of such States."

In the 4th section the word "twenty," the price of the land, was struck out, and "thirty" inserted.

The committee proceeded in the discussion as far as the 9th section; they then rose and reported progress.

MONDAY, May 24.

The engrossed bill for giving effect to an act to establish the Judicial Courts of the United States within the State of North Carolina, was read the third time and passed.

The House agreed to the amendments of the Senate to the resolutions of this House of the 17th instant, respecting the arrears of pay due to a part of the troops of the Virginia, North Carolina, and South Carolina lines.

PUBLIC DEBT.

The House again went into a Committee on the bill making provision for the debt of the United States, Mr. SENEY in the chair.

The 9th section being under consideration.

This appropriates so much of the revenue from Impost and Tonnage, as may be necessary to pay the interest on the domestic debt of the United States, agreeable to the principles of the bill.

Mr. GERRY observed, that the provision for the non-subscribers, by the bill, does not include interest, as in the case of subscribers; he moved an amendment to make such provision. He observed, that this clause, as it now stands, conveys the idea of compulsion, to a much greater degree than without it; whereas the only difference which has been contemplated is, a priority in payments.

It was observed by some gentlemen, that the bill did virtually make this provision.

The motion being put, was negatived.

Mr. BOUDINOT then moved that the clause should be made definite, by expressing the word "principal," agreeable to the sense of the Committee as now declared.

Mr. SHERMAN moved an amendment to this amendment, to provide for issuing a certificate for interest, to the end of the year 1791, to non-subscribers. These motions, after a short discussion, were withdrawn.

Mr. HEISTER moved an amendment respecting the non-subscribing creditors, by which they should receive their interest "from and" during the year 1791. This was objected to as establishing a permanent fund for paying the interest to non-subscribers at six per cent., which would be giving them advantages over the subscribers; whereas it is not contemplated by the

bill to fund the demands of the non-subscribers; they are to be provided for by annual grants. Some debate ensued on this motion. The question being put, was negatived.

Section 12 respects the appointment of commissioners in the several States.

Mr. STEELE moved that this section should be amended, by adding the words "to reside at ——" This motion was lost.

Mr. WILLIAMSON moved that the clause which empowers the Secretary of the Treasury to appoint the requisite number of Clerks to each Commissioner should be struck out. This was carried in the affirmative.

The Committee went through the bill, as far as the 12th section, and made several small amendments. At the end of the 12th section,

Mr. GERRY said, he rose to make a motion, which was to insert a clause for the *assumption of the State debts*. Sir, when this question was before under consideration, a gentleman from Virginia urged a variety of arguments against it; but as he did not come forward with his arguments till near the time of adjournment, there was no opportunity of replying to them. Sir, his arguments appeared to a number of gentlemen to be unfounded, and to require not only investigation, but contradiction. Since that time, the House have called for documents from the Secretary of the Treasury, from the Secretary at War, and the Commissioners for settling the public accounts. It is reasonable to suppose, that the arguments for assumption would derive new force from these papers, if any additional force was wanting. As far as concerns myself, however, I wish not to enter into a discussion of the individual exertions of the States, if it can possibly be avoided. In my view, every State has obtained an ample share of honor in the public cause, with which they ought to be satisfied; nor is it my wish to reflect more honor on one State than another. This, however, he thought might probably be the effect of an investigation of the papers, although he hoped the necessity of such an investigation would be prevented by an acquiescence of the committee in a motion which he would make, and which was founded upon principles of conciliation. Should it be attended with such consequences as these, it would indeed be a happy circumstance; and in that expectation, he begged leave to submit it to the consideration of the committee.

It is not at all my wish, however, (continued Mr. G.) that the committee should decide hastily on my proposition; it shall be moved, and then lie on the table to afford gentlemen an opportunity of examining it, and making up their minds thereupon.

Mr. G. then read the following as his motion:

AND WHEREAS a provision for the debts of the respective States, by the United States, would be greatly conducive to an orderly, economical, and efficient arrangement of the public finances; would tend to an equal distribution of burthens among the citizens of the several States; would promote more gen-

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equal justice to the different classes of public creditors; and would serve to give additional stability to public credit: And whereas the said debts having been essentially contracted in the prosecution of the late war, it is just that such provision should be made.

*Be it therefore further enacted;* That a loan be also proposed to the amount of the said debts, and that subscriptions to the said loan be received at the same time and places, by the same persons, upon the same terms, and with the same options to the subscribers, as in respect to the loan above proposed, concerning the domestic debt of the United States, subject to the exceptions and qualifications hereafter declared.

*And be it further enacted,* That the sums which shall be subscribed to the said loan shall be payable in the principal and interest of the certificates, which, prior to the — day of — last, were issued by the respective States, as acknowledgments or evidences of debts by them respectively owing; and which shall appear by oath, or in regard to a known Quaker, by affirmation, to have been the property of an individual, or individuals, or body politic, other than a State, on the said — day of — last. *Provided,* That no greater sum shall be received in the certificates of any State than as follows, that is to say,

- In those of New Hampshire,
- In those of Massachusetts,
- In those of Connecticut,
- In those of New York,
- In those of New Jersey,
- In those of Pennsylvania,
- In those of Delaware,
- In those of Maryland,
- In those of Virginia,
- In those of North Carolina,
- In those of South Carolina,
- In those of Georgia,

*And provided,* That no such certificates shall be received, which from the tenor thereof, or from any public record, act, or document, shall appear, or can be ascertained to have been issued for any purpose other than compensations and expenditures for services or supplies towards the prosecution of the late war, and the defence of the United States, or of some part thereof during the same.

*And be it further enacted,* That the interest upon the certificates which shall be received in payment of the sums subscribed towards the said loan, shall be computed to the last day of the year 1791, inclusive, and that the interest upon the stock which shall be created by virtue of the said loan, shall commence or begin to accrue upon the first day of the year 1792, and shall be payable quarter yearly at the same times and in like manner as the interest on the stock to be created by virtue of the said loan in the domestic debt of the United States. *Provided always,* that the interest on one-third of the respective sums which may be subscribed according to the last of the three options or alternatives upon which subscriptions may be made as aforesaid, shall commence or begin to accrue until the first day of the year 1799.

*And be it further enacted,* That if the whole of the sum allowed to be subscribed in the debt or certificates of any State as aforesaid, shall not be subscribed within the time for that purpose limited, such State shall be entitled to receive, and shall receive from the United States, at the rate of four per centum per

annum, upon so much of the said sum as shall not have been so subscribed, in trust for the non-subscribing creditors of such State, to be paid in like manner as the interest on the stock which may be created by virtue of the said loan, and to continue until there shall be a settlement of accounts between the United States and the individual States, and in case a balance shall then appear in favor of such State, until provision shall be made for the said balance.

But as certain States have respectively issued their own certificates in exchange for those of the United States, whereby it might happen that interest might be twice payable on the same sums:

*Be it therefore further enacted,* That the payment of interest, whether to States or to individuals, in respect to the debt of any State, by which such exchange shall have been made, shall be suspended until it shall appear to the satisfaction of the — that certificates issued for that purpose, by such State, have been re-exchanged or redeemed, or until those which shall not have been re-exchanged or redeemed, shall be surrendered to the United States.

*And be it further enacted,* That the faith of the United States be, and the same is hereby pledged to make provision, before the 3d of March, 1791, for payment of interest on the amount of the stock arising from subscriptions to the said loan, upon the like principle with the provision herein before expressed, touching the loan to be made in the said domestic debt of the United States; and also for the payment of the said four per centum per annum on so much of the said debts of the respective States, as shall remain unsubscribed to the said loan.

*And be it further enacted,* That so much of the debt of each State as shall be subscribed to the said loan, shall be a charge against such State in account with the United States.

*And be it further enacted,* That the commissioners to be appointed as aforesaid, shall have like powers and authorities, and shall perform the like services and duties in respect to the said last mentioned loan, as in respect to the one first above proposed, relative to the said domestic debt of the United States.

Mr. LEE said, he had hoped that the advocates of this measure would have suffered the committee to have proceeded in the business before them, without interrupting it by attempting to unite this subject with another, which has been repeatedly declared to be different in its construction. He thought it would have an inauspicious aspect on the public councils; would delay, if not entirely defeat, an object of the greatest importance, and on which the public expectation is exceedingly engaged. It will revive all those recriminations and invidious distinctions, which have already created so many disagreeable sensations. He hoped the gentlemen would not urge the conjoining a business which is in its nature so distinct. He therefore moved that the Committee should rise, and report the bill. He should not, he said, object to the bringing in a particular bill upon the subject. The proposed amendment is lengthy and complex; it will require much discussion, and can with more advantage be attended to when taken up as a separate object.

Mr. SHERMAN observed, that the design of

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this amendment is to make provision for a class of citizens equally meritorious with any others in the United States. Should the bill pass without providing for them, some of the States will be wholly unable to do it, and others of them cannot, without burdening the people with very oppressive taxes; it will be leaving the State creditors in a totally destitute situation. He did not wish that the committee should immediately take the proposition into consideration; he was in favor of its lying on the table, that the committee might take time to reflect upon it.

Mr. SEDGWICK made some observations similar to those offered by Mr. SHERMAN.

Mr. FITZSIMONS said, he was in favor of the assumption as much as any man whatever; still he thought it best to finish the bill now before the committee, and make the assumption the object of a particular bill by itself. He thought that this would be a saving of time, and that those who advocated the connecting it with the present bill, would find that the greatest difficulties would attend prosecuting it in that connexion.

Mr. AMES observed, that as many observations had been made on the propriety of taking up this subject in connexion with the present bill, he thought it necessary that some notice should be taken of them. He observed, that the present opportunity appeared to be the only one of taking up this business; for if the bill now before the committee shall be completed without including the assumption, it will then be objected that the funding system is finished; and, drawing near the close of the session, it is very improbable that any thing will be done.

Adverting to the report of the Secretary, he observed, that it is evident the Secretary considers the assumption as an essential part of his plan. For his part, he could form no idea of a system without it. Gentlemen have been repeatedly called upon to explain their ideas on the subject; they have not done it; they have not pointed out the funds they mean to appropriate to their object. They have not told us what part of the funds appropriated by the States they mean to invade. The idea of bringing in a separate bill, he considered as absurd. It was forming two funding systems; making two businesses out of one, and increasing the perplexities of each; rendering that complex and intricate, which might be simplified and made perfectly easy and intelligible.

Mr. FITZSIMONS and Mr. HARTLEY made some observations in reply to Mr. AMES, and objected to connecting the assumption with the present bill.

Mr. PARKER, after observing that if the proposition now offered by Mr. GERRY is added to the bill, he should be for rejecting it altogether, moved that the Committee should rise and report progress. This motion being agreed to, the committee rose; but before the Chairman could make report, Mr. GALE moved, in the House, that the Chair should report particularly how far the committee had proceeded in the

bill, and that the committee should be discharged from any further consideration of the same.

Mr. PAGE seconded this motion. He observed, that the committee had discharged their commission, which was to provide for the public debt; the last section of the bill had no necessary connexion with the preceding parts.—He objected to Mr. GERRY's propositions, as informal, as tending to obstruct the passage of the funding bill, &c.

Some discussion took place respecting the propriety of instructing the committee in the House, to report differently from the sense of the motion made in committee, which was, that the committee should rise, report progress, and ask leave to sit again.

Mr. BOUDINOT, in particular, enlarged on the impropriety of precluding the advocates of the assumption from replying to the observations of the gentleman from the Southward, who spoke the last on the subject. He said, the idea of preventing a free and full discussion is not consistent with candor, fair dealing, and the rules of the House. The debate was continued with ardor on both sides. In opposition to the committee's sitting again, it was said the assumption has been twice rejected; that it has a tendency to excite heats and animosities; that it will be protracting the public business, and, in the issue, occasion a loss of the funding system altogether. In favor of the committee's sitting again it was said, that the observations of gentlemen opposed to the assumption had gone out into the world unanswered, and un replied to; that in consequence of the very extraordinary and unfounded assertions made by a gentleman from Virginia, papers had been called for, which contained statements that the advocates for the assumption mean to make use of. The business of assumption has received a different determination at different times; the friends of the measure may bring forward such arguments in its support as may convince a majority of its propriety and expediency.

Mr. GALE having withdrawn his motion, it was determined that the Committee have leave to sit again.

TUESDAY, May 25.

PUBLIC DEBT.

The House again went into a Committee of the whole on the bill making provision for the debt of the United States. Mr. SENEY in the chair.

Mr. GERRY's proposition for the assumption of the State debts was read.

This proposition was advocated by Messrs. SHERMAN, BOUDINOT, and AMES, who severally entered into a full discussion of the subject of assumption, and replied particularly to the observations of Mr. MADISON.

[The following are Mr. BOUDINOT's and Mr. AMES's speeches on this occasion, which are the only ones found reported on this part of the bill.]

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Mr. BOUDINOT.—I am one of those, Mr. Chairman, who consider the subject now before you of as much importance as any that has yet required the attention of Congress. When it was first brought forward, it was new to me; I therefore determined, in my own mind, patiently to hear both sides of the question, and to weigh every argument before I drew any positive conclusion: being also a State creditor, (though in the habit of receiving interest from the State,) my fears were excited, lest self-interest might mislead my judgment. On these accounts, the committee have hitherto not received any trouble in the communication of my sentiments on this important question. I have contented myself with a silent vote, and should have still continued in the same disposition, had not the gentleman who spoke on this subject, when it was last under consideration, advanced some arguments and drawn certain conclusions from them, that struck me as neither founded in fact nor reason. He appeared to me to involve the subject in unnecessary perplexity, and though simple in itself, became obscure from the terms by which it was distinguished, and from the manner in which the argument was handled. It has been generally denominated "the assumption of the State debts;" from whence a bystander might suppose that the States, or some individual State, had called upon us to assume a debt or debts that we owed to them; but nothing is further from the truth. What is the subject before us? It is an application of our creditors, on which a question arises, whether a certain species of debt, evidenced by certificates from an individual State, is part of the domestic debt of the United States, or whether it is the private debt of the individual State?

Let us then simplify the question, and consider it abstractly on its true principles; for if it should turn out to be the first, no man can assign a good reason why a discrimination should be made among our creditors. If the last, it will be as difficult to assign a reason why we should now assume them. The honorable gentleman from Virginia, speaking on the assumption of these debts, put the question on proper principles; but his arguments appeared to be exceedingly fallacious. He alleged, "that it had been contended that the State debts are in their nature debts of the United States, and the individual creditors can of right claim payment of the same from the General Government. He denied the principle, and said, that if these debts be nothing more than the debts of the United States under another denomination, and if we are bound to provide for them as for the debts of the United States, let gentlemen consider whether they are not bound to view them in this light wherever they may be found, meaning in the State Treasuries."

This state of the question necessarily leads to an investigation of the nature of the debts proposed to be funded by the amendment now moved to the bill for funding the domestic debt.

These debts consist of certificates given by the individual States for pay to the army, depreciation of pay, militia services, supplies found, and services rendered. As these are all on one footing, to avoid perplexity I will take the army debt for an example. This debt was contracted by the United States in Congress assembled. When our common country was threatened with an invasion by a very powerful enemy, the necessary defence required the raising of an army. A union of the States was formed, and a Confederation entered into, that the expenses for the common defence should be paid out of a public Treasury, to be supplied by the respective States according to their several abilities. Troops were accordingly brought into the field under certain stipulations of pay and support. Several years past away, and the soldiers not only bravely fought your battles, but, in the end, secured your liberties and established your independence.

The States having failed in supplying your Treasury, the stipulated payments were neglected, large arrears accrued, and, after a series of sufferings, unknown to any other troops, a mutiny took place, and the destruction of your army was well nigh accomplished. By the exertions of your Commander-in-chief, and the most judicious management on his part, this serious disturbance ended in Commissioners being sent to Congress, with requisitions on the part of the whole army, requesting redress in a number of instances.

Suffer me to read the report of the Grand Committee of Congress, and their subsequent resolutions in answer to this application.

"SATURDAY, January 25, 1783.

"The Grand Committee, consisting of a member from each State, report, That they have considered the contents of a memorial presented by the army, and find they comprehend five different articles: 1st. Present pay. 2d. A settlement of accounts of the arrears of pay and security for what is due. 3d. A commutation of half-pay. 4th. Settlement of accounts of deficiencies of rations and compensation. 5th. Settlement of accounts of deficiencies of clothing and compensation. Whereupon, *Resolved*, as to the first, that the Superintendent of the Finances make payment, &c. *Resolved*, with respect to the second article, so far as relates to the settlement of accounts, that the several States be called upon to complete, without delay, the settlements with their respective lines of the army, up to the 1st day of August, 1780, and that the Superintendent of Finance be directed to take such measures as shall appear to him most proper for effecting the settlement from that period. As to what relates to providing of security for what shall be found due on such settlement, *Resolved*, that the troops of the United States, in common with all the creditors of the same, have an undoubted right to expect such security; and that Congress will make every effort in their power to obtain from the respective States substantial funds, adequate to the object of funding the whole debt of the United States, and will enter upon an immediate and full consideration of the nature of such funds, and the most likely mode of obtaining them."

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Nothing can more clearly appear, than that at the time of these resolutions, Congress considered the debt due to the army for pay and depreciation of pay, as well as that due to their other creditors, as the particular debts of the United States. Here was no pretence of denying the contract, or turning them over to the States for payment. It is true Congress, in these resolutions, call upon the individual States to settle with their lines of the army to a given day, but the pay is to come from adequate funds to be provided by the efforts of Congress from the several States. In obedience to this requisition, the States proceeded to the settlement, not only of pay to the lines of the army, but also of the claims of their citizens for supplies furnished to contractors, commissaries, and quartermasters, with all their host of dependents, and certificates of the balance due to them were given under the direction of the States individually, who thereby, agreeably to the foregoing resolutions, became security to the creditors, on behalf of the Confederate Government, that their debts should be paid. Congress immediately proceeded to demand of the several States an impost of five per cent. ad valorem on all goods, wares, and merchandises imported into the United States, and additional sums for twenty-five years, adequate to the payment of the interest of the whole debt, agreeably to their assurances in answer to the memorial of the army.

Some of the States complied with this requisition, and provided supplementary funds over and above the impost, for twenty-five years—but others refusing, the whole project was rendered abortive, and the creditors of the Union left in the most distressing circumstances. The clamors of the citizens were too great to be withstood by many of the States, who considered themselves as sureties for the United States, and, indeed, under the necessity of rendering some immediate, though partial supplies, to prevent every thing from running into confusion. They therefore undertook to pay their own citizens the interest due on their respective certificates, whether given by the special officers of Congress, (as the Commissioners of Loans,) or under the direction of the standard before mentioned. The State of New Jersey, in this way, paid five years interest, to the amount of several hundred thousand dollars. But although these partial payments put the evil day further off, yet the time at last came, when the good sense of the people, finding the Government unable to support itself and comply with their engagements, and seeing nothing but ruin and confusion before them, wisely brought about another revolution, and formed a new constitution; founded on a more intimate union of the several States, with greater and more efficient powers for the purpose of establishing justice, insuring domestic tranquillity, promoting the general welfare, and securing the blessings of liberty.

Provision was also expressly made, that all

debts and engagements binding on the former Government, should be equally valid against the present. Under this new Constitution, the Government is vested in the fullest manner with all the resources and funds necessary for the payment of the general debt of the Union, and what they had in vain asked of the several States under the former Confederation. Of course the individual State was deprived of them, and no longer had it in her power to continue her partial aids towards satisfying the growing interest on the demands of their citizens.

In this situation, and under these circumstances, our creditors came forward with the evidence of their demands, given by the individual State, by order of the United States in Congress assembled, and demanded payment of us, as their original debtor, for whom they performed the services, and to whom they granted the supplies, alleging that by the transfer of the revenues and resources of Government from the respective States to us, their security is invalidated, and we are become able to pay them, agreeably to the spirit of our original contract. These questions then fairly arise—

Was the contract originally ours, or were the United States the original debtor? If so, has the creditor been paid his just due, or has he released us from the obligation?

There can be no doubt, in my opinion, from the foregoing view of the circumstances of the case; and I believe no gentleman will deny but that we are the original debtors as representing the former Government.

It is clear that all the creditor has received for his demand, has been a certificate from the State, testifying a certain balance due to him for his services, or for supplies rendered. And here I should enter into the argument to show that this certificate from the State cannot, on any principles of justice, honor, or policy, be considered as payment, was not the matter already done to my hand in language so much more forcible than any I can use on this occasion, and the omission of which would be imposing on the committee. This will be found in the 1234th and 1308th pages of the Congressional Register, where an honorable gentleman (Mr. MADISON) in speaking on the subject of public certificates, though to another point, says, "Let us consider first by whom the debt was contracted, and then to whom it is due. The debt was contracted by the United States, who, with respect to that particular transaction, were in a national capacity. The Government was nothing more than the agent or organ by which the whole body of the people acted. The change in the Government which has taken place has enlarged its national capacity, but it has not varied the national obligation with respect to the engagements entered into by that transaction; for, in like manner, the present Government is nothing more than the organ or agent of the public. There is no change in our

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political duty, nor in the moral or political obligation. The language I now use is the language of the Constitution itself—it declares that all debts shall have the same validity against the United States, under the new as under the old form of Government. The obligation remains the same, though I hope experience will prove that the ability has been favorably varied.” Again a debt was fairly contracted—according to justice and good faith, it ought to have been paid in gold or silver. A piece of paper only was substituted. Was this paper equal to gold or silver? No; it was worth in the market no more than one-eighth or one-seventh of that value. Was this depreciated paper freely accepted? No; the Government offered that or nothing. The relation of the individual to the Government, and circumstances of the offer, rendered the acceptance a forced, not a free one. Again. Here there was a debt acknowledged to have been once due, and which was never discharged, because the payment was forced and defective; the balance, consequently, is still due, and is of as sacred a nature as the claims of the holders can be. These conclusive arguments apply with double force to the question before the committee. Was the debt contracted by the United States? If so, where have they any evidence of payment? If it is answered in the State certificates, I reply, a piece of paper was only substituted for the bare purpose of ascertaining the balance as preparatory to its being funded, and that by the particular order of Congress, under the idea of providing the creditor with security for his debts. Was this paper equal to gold or silver, or any other substantial payment? The relation of the individual to the Government and circumstances of the offer, rendered the acceptance a forced, not a free one. But, sir, a part of the objection is still unanswered. It is said, that if these are debts of the United States in the hands of individual citizens, must they not be the debts of the United States in the Treasuries of the different States? I answer, by no means. This argument is extremely fallacious. In common life, if any person who becomes my security and pays the debt for me, and he owes me money, I can with propriety refuse to pay him till he settles his debt with me; but if such security refuses, or is unable to pay the debt to my creditor, I certainly have no right to put off my creditor till the security shall have paid me what he may owe me.

There is no connexion between my debt against the person who may become my security to another, and the creditor to whom I owe a debt of my own contracting. Suppose, in common dealing, A owes B one hundred pounds, but being unable to pay, gives C (who owes him money) as his security to B. Before the debt is paid, C, the security, becomes insolvent, and A retrieves his affairs and is able to pay—would any man think A in his senses to refuse payment to B, because C was unable to pay the debt due to him? But if C had paid the money

to B, then the debt was changed, and C would have a right to charge it against the debt he owed to A. So, whenever the State has discharged a debt owing by Congress, to the individual citizen, and has the evidence of it in her Treasury, such State has no right to demand a repayment until, by the settlement of her accounts with the United States, it shall appear that a balance is due to her. This is every day's practice between man and man. But both the equity and policy of this measure have been denied. As to the first, let it be asked, are the facts above set forth true, “that the debt was originally that of the United States, and that the creditor has never received any satisfaction for it?” If so, where is the justice or equity of making a discrimination among our creditors? Can any man assign a reason why debts of the same nature, under the same contract, and for the same services, should be rejected and treated as of no force, merely because they have been settled and vouched by different officers under the same authority. What will the veteran soldier and the respectable militiaman, who, under every discouragement, fought your battles, and risked their lives for your preservation; what will the patriot farmer, who furnished you with supplies in the day of darkness and distress; what will the citizen, from whom you forced that perhaps on which he depended for the support of his family, at the point of the bayonet, say, when they are told, that, after waiting ten years in vain for their just due, that it is now inequitable to pay their demand, because it was settled by the State Government, agreeably to the directions of Congress. There must be the greatest equity in appropriating that treasure, supplied by the Union at large, to the payment of those debts contracted for their common defence. A last argument I shall offer to show the equity of this measure is, that we are in possession of the very means from which alone the States can pay these debts, if their obligation to do it was ever so clear.

I now come to the policy of the measure. As in private life, so in every Government, I am fully satisfied that honesty will ever be found to be the best policy.

The policy of this measure arises from numberless sources. It is supporting the public faith. As our present conduct shall be, so will be the conduct of others towards us, whenever we shall need further loans for public service. A few hundred dollars saved now may hereafter cost us more thousands. Our conduct on this occasion will be narrowly watched, and not forgotten in many years. Good policy requires one uniform rule of paying our public debt, as well as the like uniformity in the arrangement and collection of the public revenue. Another source of the policy of this measure arises from the propriety of suppressing all temptations to unnecessary party zeal and collision of opposite interests among the citizens of the same Government. Let gentlemen consider the oper-



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ation of a contrary measure. Will the citizens of individual States see with complacency the produce of so heavy an impost expended in partial payments of the debts of the General Government, while their demands, founded in the strictest justice, are wholly disregarded by those who are bound to do equal justice to every citizen? It should not be forgotten, that the collection of a revenue in such a country as ours depends greatly upon opinion. If, by our public measures, we once make it reputable to defraud the revenue, it will be out of the power of all your regulations and penalties to secure its due collection. At present there is a universal prejudice in your favor. The patriotism of your citizens is a greater security than your utmost force. They think that the Government is in their own hands. That they are truly represented here, and that their contributions are faithfully applied to their best interests. Cherish this spirit, by the most impartial justice and equal dealings to every citizen. If once it becomes a habit to depart from the path of virtue, it will be more than difficult to tread back those steps again. It is policy to prevent, by this means, one State from preying on the necessities of another, by which jealousy, feuds, and animosities, so dangerous to every Government, are often promoted. Although I am in general averse from bringing into view, on general questions, the local circumstances of a particular State, yet, in the present case, I beg leave to hold up the circumstance of the State from which I have the honor of coming, because I am best acquainted with her real situation. It is well known to this committee, that in the beginning of the war she was deprived of many of her citizens, who went off to the enemy. She presented her whole sea-coast as a frontier to the British troops. She was invaded every few months, for several years of the war. Her militia was almost continually in the field. Her towns were deserted. Her houses were burned. Her property plundered, and her faithful citizens carried into captivity. For several years, both the British and American armies were the greatest part of the year within her borders. As if these evils were not sufficient, at the end of the war an impost, for State purposes, was established by the two adjoining States, from whom she was obliged to receive all her imports, whereby she was bled at every pore. During this whole time, the requisitions of Congress were made on her, without any allowance for her peculiar circumstances—the other States had shared a milder fate. As far as it was in her power, she complied faithfully with them; and in addition to her exertions, she has relieved the distresses of her citizens, by paying the interest due to them by the Government, without respect to the species of debt. In this manner she has struggled with difficulties, under an oppressive burthen, until the period arrived which she thought promised an alleviation of her distresses.

The ability of the new Government she fond-

ly hoped would have eased the burthen, and calmed the minds of her citizens, who were daily leaving the State, to find a happier climate to the Northward and the Westward, where heavy taxation would not reach them. I hold up these circumstances of an individual State to show that she cannot go much further; every citizen she loses, leaves the incumbrance the greater on those who remain behind. At this moment, sir, in one township of that State, there are between two and three hundred executions out for the arrears of taxes. Is it not policy, then, and the best of policy, to equalize the burthens of so arduous a struggle as was brought upon us by the late war, and prevent a sister State from sinking, after getting through so far? Is there any reason that, after exerting herself to the utmost, and aiding you in the day of distress, that now you are in possession of the resources of the country, and she is deprived of the only means she had of helping herself, (I mean by her paper money,) that she should still be left to struggle on without relief? But, sir, if you refuse this measure, and do not reassume these debts, it is not contemplated by any one to embrace the excise, but to leave that to the individual States. What, then, must be the situation of New Jersey, if New York and Pennsylvania should establish a general excise for the payment of their particular citizens? Would not New Jersey pay her full proportion, as she did formerly under their imposts? It never can be consistent with good policy thus to leave your citizens to such different measures of public justice.

The last evidence of the policy of this measure arises from the impossibility of otherwise funding the domestic debt with certainty, while the States are necessitated to claim particular sources of revenue. This must produce a clashing of jurisdiction, and a continual jarring of interests.

I should now close my argument, sir, was it not for an objection which, I confess, when I first heard it, struck me with some conviction; but, on a closer examination, I found not to bear a scrutiny. It was, that if the measure could be carried by a very small majority, it would be highly impolitic, because if a right measure, and now rejected, it could easily be adopted hereafter; but if a wrong measure, and now adopted, it could not easily be remedied when the evil was acknowledged.

Sir, if the debt is a just one against the United States, and we are able to pay it, I cannot admit the idea of a longer refusal; the delay of justice is a denial of justice; what would be the consequence of paying this debt, and afterwards being convinced of the injustice of it? You would charge it to the individual State, and the only loss would be the interest you might pay. But, sir, if you refuse it, and find you were wrong, you are doing an act of palpable injustice by which you may ruin thousands of your citizens, and depopulate your States, by driving the most valuable of them to seek an

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asylum in the wilds of the Ohio and Lake Erie. It will be a very insufficient excuse to our suffering host of creditors, that, from local principles and private motives, there could only be obtained a small majority to do them justice; and if we were wrong in the refusal, we could set all right when we were convinced of it. I believe this will scarcely justify us in our own eyes. But will not this delay impede the operation of the general system? And if this once takes place, who can foresee where it will end? An attempt to do justice can do us no essential injury, even if we should be wrong; but a refusal, in our present circumstances, may raise a spirit that cannot easily be laid.

Although the question, sir, before you, is on the assumption of the State debts, so called for sake of distinction; yet as an objection has been made in the House yesterday, and an endeavor used to separate this part of the domestic debt from that which is funded on the certificates given by the immediate officers of Congress, supposing this to be a subject essentially different to the one referred to the committee, I thought it my duty to show, that having been contracted by the United States in Congress assembled, for the general defence of the Union, there remained no foundation in reason or justice for the objection, although the settlements of the accounts, and the balances due, were certified by the individual States. And I think that it must as clearly appear, that no solid reason can be assigned why the individual States should not now be delivered from the burthen of them, since you have delivered them from the means of payment.

These arguments address themselves to the understanding and the judgment. It is under their impression, and from a thorough conviction of their force and propriety under every view of the subject, that I have heretofore, and shall still give my vote for the re-assumption of these debts, and, of course, in favor of the amendment now before the committee.

Mr. AMES.—I am obliged to obtrude my sentiments upon the committee, under circumstances which stifle the hope of procuring for them a welcome reception. The curiosity of the Assembly, in the first stages of a public debate, will procure some indulgence, and administer considerable aid to him who has to support a part in it. But this subject has been debated until it has become tedious; there is very little remaining to be said which can excite curiosity or reward attention. The feelings of the committee will procure me belief when I say, that I obey the duty of attempting to obviate the objections which have been urged by the gentleman from Virginia, and which I think is imposed upon me by the nature of some of them, with unaffected reluctance. I will hope, however, that a candid condescension to the necessity of my situation, and a sense of public duty, will overcome, or suspend for a time, the disgust which has attended the revival of this debate.

The zeal of the gentlemen on both sides

has led them to draw aid to their cause from very remote sources. But all the objections against the assumption may be comprised in these two—that the measure is against justice and against policy. Both sides of the question have been maintained with an uncommon warmth of conviction; in candor, and probably in strict truth, this ought to be mutually understood as the evidence of a sincere zeal for the public good.

To evince the justice of the assumption, I take, as the ground of my reasoning, a proposition which is admitted on both sides; that the expenses of the war ought to be made a common charge upon the United States.

It will illustrate my argument to observe, that this war was between this country and Britain, and not a war of particular States. All America, Congress in their resolves, the act appointing Commissioners to settle the accounts, the late amendment (Mr. MADISON'S) to the proposition for assuming the State debts, and the objections to that proposition, corroborate the idea that the expenses of the war ought to be equalized. Assume the debts, and settle the accounts, and this is effected. There is an end to the inequality as soon as this is done. This answer is so plain and conclusive, that it is attempted to take off its force by saying that the accounts will not be settled. If this assertion is true, the non-assumption is plainly unjust; for the burthen is confessedly unequal now, and the only reason for refusing to take this burthen off some of the States, is the certain assurance that they will be relieved from so much as shall be found to exceed their share, when the accounts shall be settled. But if the accounts are not to be settled at all, the States, which are now overloaded, have no justice to expect but from the assumption. It cannot be known with certainty which will be a creditor, or which a debtor State, at present. If the accounts should not be adjusted, we must remain in ignorance; we ought, therefore, to exclude all consideration of the other claims, because it would be useless, and apply the principle of equality to the State debts. The debts to be assumed are either duly proportioned among the States, or they are not. If they are so proportioned, then it is certainly politic, and not unjust, because it would be equal to assume them. If they are now unduly proportioned, it is in terms even against equality to leave them upon the States.

If the war has made a random distribution of debts upon the States, it is best to make the amount which is to be left unsettled, as little as may be; for the probability is, that as you diminish the unsettled amounts, you make the inequalities less. This will serve as an answer to those also who say, that supposing a settlement to take place two or three years hence, a State may be relieved from a light burthen of its own debt, and be obliged to bear, as its proportion of the assumed debt, one more weighty. For it is not certain that it will have, in that case, more to bear than its part; and if it should

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turn out to be more, the balance may be known almost as soon as the interest will commence. The assertion that the accounts will not be settled has been made with confidence. To judge how far we ought to guide our conduct by it, it is enough to examine what State it comes from. Let the gentlemen who make it ask their own hearts, let them look round and ask one another, whether their States are the more clamorous for their dues, or apprehensive for a settlement, which will expose their delinquency? In this place, where facts are known, this question will be an argument.

But what ground is there for saying that the accounts will not be adjusted? This was positively engaged by the former Government. It is improper for Congress to act as if Congress was not to be trusted. Commissioners are employed in the business. A motion to extend their time and powers has met with no opposition, and it is maturing into a law. Who will oppose it? Not New England!—we wish it—we have pledged ourselves to support it; you ought to believe us, when it is so easy to bring us to the test. I have myself moved resolutions, the best I could devise, which I thought would facilitate—would force a settlement. I am ready to revive them. Surely those who urge that the accounts will not be settled, do not propose to fulfil their own prophecy.

It is certain, therefore, that if there is a disposition in this House to prevent proper measures from being adopted to procure a settlement, it will be disappointed. I wish to remove this ground of objection, by urging the business of liquidation forward. If, then, provision is to be made for liquidating the accounts, the argument which I deduced from it remains in full force. All pretence of inequality is removed by it. It is a full answer to several other objections—it becomes unnecessary to ask whether State notes remain debts against this Government, after they have been received into the State Treasuries. Whether the United States are obliged to assume before the balances are found on a settlement: and whether the debts were wisely or unwisely contracted? It becomes immaterial to calculate how many parts in a hundred New Hampshire, and how many Connecticut will pay; and how much Virginia has paid, and will now have to pay. What was wrong in the distribution of the burthens of the war will be rectified; and as to future payments, all the citizens will be upon a footing. As the gentleman from Virginia reasons with great candor, I am sure he will be sorry that, in his observations, he has wholly neglected, certainly through inadvertency, to notice an argument which seems, on both sides, to be considered as absolutely conclusive. When I say that both sides allow this argument to be conclusive, I presume my meaning is understood as I formerly expressed it. For the answer to it is, that the accounts will not be settled; which admits the force of the reason, and rests the decision upon a point of fact.

Perhaps, for the sake of simplicity and perspicuity, I ought not to pursue the inquiry as to the justice of the assumption any further. Though I mean to rely upon the argument I have stated, it will furnish an answer to some objections to furnish another. It is said these are State debts, Congress has nothing to do with them.

When the war commenced, Congress had neither money nor troops. They were so far from having a right to tax the States, that they had neither the powers of a Government, nor a rule by which to require contributions. They appealed to the good-will and patriotism of the States, and entreated them to furnish supplies to the extent of their power. The calls upon the States were not taxes or debts, but advances or loans to the public. This is explicitly and formally declared by the resolves of Congress. I have made some attempt to examine the journals, in order to show from them how totally unfounded the assertion is, that these constituted debts against the States. But I found that the titles only of the resolves would fill a sheet of paper. Nothing can be more fully proved than the contrary, not only by the letter of the resolves, but by the conduct of Congress. In some cases no regard was paid to the conjectural ratio by which the States ought to furnish men and supplies. In other instances some of the States were wholly omitted, and not unfrequently a single State was called upon for supplies. One of the most signal proofs, however, is that in the resolves of February 9th, 1780, it is expressly stipulated, that if the States should furnish more than they are called upon for, the United States will stand charged with it. The resolve of January 5th, 1783, even in terms recognises the troops whom the States were to settle with as creditors of the Union, for whom good security must be provided.

This is an inquiry into the justice of the assumption. I reject, therefore, the forms of the transaction, and ask whether, if the war had been confined to a corner, instead of spreading over the Continent, and one State had incurred the whole debt of eighty millions, it would be just to leave the burthen upon that State? Consistently with the resolves I have mentioned, and the known sense of America, could it be called a State debt? I am sure of my answer, for the question extorts it. The difference between the case I have supposed, and that which is in debate, is only in degree—there is none in the principle.

It will be answered, perhaps, that it is true we owe the States. They are not finally to bear the burthen; let them pay what they owe, and we will pay them. This is a dangerous concession to those who make it, if the accounts are never to be settled, as it is urged by those who contend against the assumption. For it amounts to this—the debt is binding, and yet it will never be paid. It presents them a choice of difficulties; it forces them to confess either that the assumption will not wrong you, or that the

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non-assumption will end in cheating such of the States as are your creditors.

It will be said, it is true, however, that the United States stand indebted to the States, but the creditors of the States have no just claim upon the United States. There is a great difference between the justice that will be done by the assumption, to the States and to their creditors.

The States were called upon during the war to make advances. Accordingly they procured something by taxes, and still more was procured by paper money, which died in the hands of the possessor. They have also paid some part since the peace. So far the States, as such, actually made advances; but the principal part was obtained either by borrowing, or seizing private property, or draughting men. So far the advances were made by individuals, and at periods so critical, and under such circumstances of violence and hardship, as to give a peculiar sanction to their claim upon the justice and honor of their country.

Justice plainly requires that these persons should be repaid their interest at least, in all events, and without delay. Their claims, in every view, are perfect; most of them are original holders. But neither the justice of the case, nor the engagements of Congress, require that the States should be repaid until the extent of their demand can be known. For I readily admit, that nothing more than the balances of their actual advances are due from the United States to the individual States. This has been urged against the assumption, but without foundation. If a State paid more than its proper share, the surplus should be repaid. But if a payment was only promised, and is still to be made, justice is due to the creditors and not to the State. The idea may be illustrated by considering the States as agents or contractors for the Union; what they paid they claim for themselves; what they barely promised should be paid, by their employers, who had the benefit of the debt, especially if the agent cannot or will not pay. I cannot think it necessary to give any further answer to the question so logically proposed with regard to the nature of the debts when redeemed, and in the State Treasuries.

What remains due ought to fall not unequally upon States, but upon the whole society. It ought, if not paid sooner, to fall upon posterity. If some States should lose wealth and people, and others increase, if new States should join the Union, or spring up within it, and the Western wilderness be thronged with people, the burthen will be equalized upon all the citizens. Liberty and independence were procured for the whole, and for posterity; why then should not all contribute to the price?

As it respects the army debt, the very terms of the bargain bind the United States. Congress promised to pay the men, but called upon the States to raise them. Afterwards, when the paper failed, the States were required to make

up the depreciation. State notes were given for it, which remain due. Probably all the States cannot pay. In this instance not only justice, but your plighted faith, require you to pay them; you have asked their services, and had them; you have promised to reward them, and they remain unrewarded. I have already supposed the case of the whole debt being thrown upon one State. If, instead of the whole debt, its zeal, or the necessity of its affairs, had pressed a State forward to exceed, and in its distress to disregard, its ability to pay, and, accordingly, had run in debt three times as much as it can pay—that the war had scattered its citizens and wasted its property—are the officers and soldiers who expelled the enemy, and who did not care which State line they served in, to be told, you served the United States, but you are the creditors of South Carolina. It is true, you shed your blood for us; by your valor we sit here; we have seen your wrongs, and when it would do you no good, because we had no power, we told the world how deeply we lamented them; but go home and starve. Would not this wring drops from their hearts, and plant thorns in our own?

The like reasoning will apply to another description of the debts to be assumed—to the certificates given by the Commissaries and other officers of the United States, and since assumed by the particular States. You cannot deny your own, by calling them State debts. A great part of the debt of South Carolina is said to be a debt of that kind. Is that State to be crushed with a weight which it cannot bear, or are the creditors to be ruined because the State will be undone if they are not? Or how will this comport with the principle admitted on both sides, of equalizing the expenses of the war?

The best fund of the States, and hitherto the only one of the Union, the impost, has been taken away by adopting the Constitution. Let the debts follow the funds. Let the world judge whether the generous confidence of the State creditors in the public justice ought to be abused, and whether they ought to be made to repent the cordial support which they gave to the new Constitution. The force of this argument may be inferred from the uncommon pains which have been taken to destroy it. The fact is denied, and the issue of the question has been boldly rested upon this point, that the States most urgent for the assumption were not incapacitated from providing for their debts by the surrender of the impost. The impost collected in New Hampshire is called the amount of that State's contribution to the Union, and the ratio by which she ought to contribute is taken from her present representation. I waive, at this moment, all comment upon the unfairness and fallacy of this mode of computation. I proceed to observe that an uncommon use is made of the result. According to her number of representatives, that State ought to pay one-twentieth, and yet no more than a hundredth part of the impost of

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the Union is paid by that State, or rather collected in it; of course, it is gravely said, it will save four-fifths of the sum which it would have had to pay if the debt had been assessed upon the Union before the Constitution was framed, and this saving to the State may apply to the discharge of its debt. But, sir, such requisitions never were paid, and never could have been paid by the States. Experience had taught us that it was not to be expected, nor was it in their power. This, indeed, was one of the principal reasons for adopting the constitution. Are we seriously addressed when we are told that the savings of a revenue, which did not exist, that four-fifths of nothing may be applied to pay the State creditors? Without further regarding the ridicule of the argument, let us trace the fact. The debt of New Hampshire is said to be about 230,000 dollars; the yearly interest, at four per cent. is upwards of 9,000 dollars. The impost and tonnage collected in that State, from August to December, is near 8,000 dollars. So that the impost of that State, though far short of her actual contribution to the common Treasury, will, in the whole year, greatly exceed their interest, which assuming her debt will throw upon the United States. Here, then, the fund surrendered by that State is more than adequate to the debt which ought to follow it. The whole cause has been hazarded on the fact, and here the fact is against him who appealed to it. May I be permitted to ask, whether it is not to be lamented, that through inadvertency or mistake, the whole fact was not mentioned? May I demand why the non-importing States were preferred to the importing States for calculating the impost? Massachusetts collected, under a State law, near 150,000 dollars impost yearly. This falls short of her present collection under the law of the Union, which is nearly equal to the interest of her debt. The excise would have supplied the deficiency, and that fund you are about to invade. It would be wrong to take away funds, though inferior to the discharge of interest, and yet to leave the whole debt upon the State. If the funds surrendered were equal to the debts, it has been admitted that the Union ought to take the debts also. The injustice of rejecting the debts, and taking the impost to a less amount, differs only in degree. But why was New York passed over in silence? The interest of the debt of that State would not equal the impost collected within it. What will you say to that State?

The candor and impartiality of the committee will be exercised in deciding whether the arguments so often urged in favor of the assumption, that you ought to take the debts with the impost, has lost any thing of its force by this investigation of facts. What is asserted on one side, and denied on the other, after a strict inquiry, ends in the same point.

There is another view of the subject to be taken. It is allowed that the people pay duties in proportion as they consume dutied articles. The consumption in the several States

is nearly according to the numbers of the people. It will be as fair in this as in the former calculation, to take the number of representatives as our rule to compute the proportions which the several States contribute by the consumption of articles charged with duties. The impost of New Hampshire and Massachusetts, collected within the period from August to December, and added together, was nearly one hundred and twenty thousand dollars. Allow the former three parts in eleven, according to her representation; and it will appear that her citizens paid thirty-two thousand seven hundred dollars of the whole sum. Less than eight thousand dollars were collected within the State. In case the debts should not be assumed, but should be provided for by State duties and excises, according to these principles, the citizens of New Hampshire would have to pay five thousand dollars a month, or at the rate of twenty-five thousand dollars from August to December, into the Treasury of Massachusetts. Connecticut in like manner would pay within an equal period fifty-four thousand dollars, and Jersey, if reckoned with New York, would have to pay about sixty thousand dollars, and with Pennsylvania still more. In a whole year, this tribute which one State would exact from another would amount to very large sums. North Carolina is a non-importing State, and, in common with the others before mentioned, would have to pay for the debt of its neighbors, and then to provide for its own. Is there any justice or cause of discord and violence charged, or even imagined, against the assumption equal to this? And yet we hear it said, let us leave the States to pay their debts for themselves.

Perhaps we shall never be fully agreed as to what is policy; on great questions, when the judgment should be cool, the passions most frequently interpose and disturb its decisions, and this is most likely to happen where public men are zealously faithful to their trust. But it is otherwise with our sense of justice; our pity, our gratitude, our resentments may mislead us; but of all the operations of the moral sense, the most precise and infallible is our sense of justice. The heart acts as our interpreter, and guides us to certainty; injury or wrong is the opposite of justice. I appeal to that moral sense, to that law written upon the heart, and confidently ask, whether you can impose this burthen upon the States, and call it equality? Whether you can reject the claims of their creditors, and call it justice? As to the policy of the assumption, to object is always easy. It is not hard to show how many little objections a great measure will be liable to; but, in a question of policy, we are commonly obliged to disregard little things for the sake of great ones; nor can complete proof be given of the affirmative; for, when it is asserted that bad consequences will ensue, time only can fully prove that they will not. I neither expect nor pretend to overcome every doubt when I undertake to show that it is more safe and prudent

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to assume than not to assume the State debts. When we speak of policy, what is meant by the term? A measure is said to be against wise policy, when it tends to prevent good, or to produce evil; it respects either the Government or the citizens: as it respects Government, will the assumption diminish its power, or embarrass the exercise of it? Or as it regards the people, will it produce evil and not good?

This measure can neither increase nor diminish the power of the Government; for the power to be exercised is expressly given it by the Constitution. Will it embarrass the exercise of power? The contrary is true; it removes impediments which will be in its way, if not assumed. Experience has taught us, to our cost, how very pernicious those obstacles are. The systems of State revenues, before the Constitution was formed, had crushed industry and almost ruined trade, from State to State.

Will its tendency be to evil rather than to common benefit? This, it is true, is a vague as well as complex question; but its great objects are to establish justice; to produce equality of burthens and benefits, an uniform revenue system; to secure public credit by removing every example of bad faith, and to prevent all interference between the National and State Governments, and the dangerous usurpation of the one upon the other, which would be the consequence.

How can it be said, that policy is against the measure, if its tendency be such? Much has been said about consolidation. Certainly it cannot be usurpation for Congress to pay the debts which were contracted either by itself, or, at its own request, by the States. The State Governments are said to be in danger of a consolidation: that, however, is not the only, probably not the greatest, danger they have to risk; disunion is still more formidable. Nothing can shelter the small States from the greater ones but union; nor would any single State be safe against the combination of several States. All would be exposed to foreign foes. If you make the State Governments strong by taking strength from the Union, they become exposed exactly in the degree you do it. For the principle of union ought to be strong in proportion to the strength of the members. In a compound ratio, therefore, you make the National Government too weak to combine the whole together, and you expose Governments and citizens to the caprice of accidents and to the fury of passions, which will confound laws, liberty, and Government.

It is true, a body of valuable citizens will be attached to the Government; all good citizens should love the Government, and they will do so, if Government should deserve their love. Revenue powers are given to Congress without reserve. To say that it is dangerous and improper to exercise them is a charge against the Constitution.

There are but three points of view to consi-

der the State Governments in. Either as rivals for power, as watchmen, or as legislators within the State. To call them rivals would be an avowal of the principle of disunion, or rather of positive force, which is absurd. I do not know that either the State or National Constitutions have given them the office to watch this Government. The people are to watch us all, and I wish they always may. But if the State Governments are still called watchmen, that office may be performed as well, perhaps better, without than with the incumbence of their debts. It is equally difficult to see how it can impair the rights of internal legislation. The assumption and an uniform plan of revenue will take away not only all pretext but every motive for encroachment upon them. If, by the non-assumption, an interference is produced, their danger will be the more imminent. For if they prevail in the conflict, they will be ruined by disunion; if they fail, they will be swallowed up in the consolidation. I wish, among other reasons, to have the assumption take place, because I think it will give us the best security that our Government will be administered as it was made, without suffering or making encroachments.

I hasten to notice some objections: a public debt is called an evil, and the assumption is charged with tending to increase and perpetuate it. I am not disposed to dispute about words, though I believe the debt, as a bond of union, will compensate the burthen of providing for it. But I cannot admit that it is a greater evil to owe a debt, than to wipe it off without paying it; and if the whole debt is to be paid, at all events the assumption makes no increase; nay, if the modification first proposed should be made, the capital will be diminished near thirteen millions by this measure. It is said to be easier to pay eighty millions by leaving the State debts to be paid by the States, and paying the other debt ourselves, than to form the whole into one debt.

By this division of the debt, if there is any force in the objection, that we can pay more, or we shall pay what may be collected more easily, first, let us see whether this is true as to what the States will have to provide for. As it respects South Carolina, the contrary is confessedly true. So far is it from being a more easy way of paying, that they cannot pay at all. If Massachusetts can pay her interest, it will be with extreme difficulty. One gentleman observed that her efforts had raised a rebellion. It is certain that they have not succeeded. The price of State paper in most of the States has been some proof of their incapacity to make effectual provision.

The State debts are to be paid, or they are not. If, by leaving them upon the States, they will be lost to the creditors, that cannot be supposed to be the more convenient mode of paying part of eighty millions, which is intended by the argument. Besides the shock to public credit it would be a loss of so much property.



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The disaster would probably be more felt than some of the greatest physical evils, such as inundation or blasting the earth for a time with barrenness. If then the debts are to be paid, by what means? The gentleman from Virginia has strongly reprobated excises. The States cannot touch the impost, what remains? Direct taxes only. This source will be soon exhausted. The land tax of England is not more than a sixth part of its income. They have carried it as far as they think prudent. Why should not labor and stock contribute as well as land? For these give their chief value to its products. It cannot be expected that the debt will be safe to rest upon a land tax. It is not even mortgaged at all in England. If our entire funds are barely sufficient, merely a single fund, and that not the best, will be inadequate. It is a better one in England than in America; for the wild land makes it impossible to impose very heavy taxes upon the old settlements, the oppressed people will fly beyond the reach of collectors. It is besides much more easy to procure the money in England than in America. Land taxes are not only insufficient, but liable to other objections. Land is to be taxed according to quantity or value. If the former, it will not produce much. If according to value, then you must resort to arbitrary assessments, more obnoxious than excises. Every farmer almost can attest the force of this objection. The expense, too, in England is little; but in this country it is otherwise. Taxes on land have cost as much to collect as excises. In one of the States I am told that the collection has been estimated at thirty per cent. Experience too has proved that the States cannot pay their debts by direct taxes. It has been pushed to the utmost extent, and found insufficient.

The argument which has been urged by the gentleman from Virginia against excises, seems to exclude this mode of revenue; without it, the State debts cannot be provided for. The United States will be compelled to resort to it. It is absolutely necessary for drawing forth the resources of the country. As every man consumes, every man will contribute, including foreigners and transient people. Imposts cannot be carried far without defeating the collection. Duties on imported spirits would increase the use of home-made spirits, which cannot be reached without an excise. All taxes are in some degree unequal, but excises probably as little so as any. The rates are fixed, and very little is left to imposition and caprice. Besides every consumer taxes himself.

If, then, Congress should not lay excises, the best resource of revenue will be lost. I am persuaded public credit cannot be supported without them. It seems to be a measure of equal necessity that the States should impose them. But the States cannot do it with convenience or much effect, for they cannot make them general. They will vary in the States, and hold out temptations to an infinity of frauds. The States are restrained from re-

gulating foreign trade, or that from State to State; with such vast frontier lines to watch, and their powers on the importation and passage of goods by land so much restrained, and their laws obstructed and controverted by the laws of the Union, much of the collection will be defeated. The excise in Massachusetts and Connecticut, it is supposed, has not produced ten shillings in the pound of what it might be made to yield. I do not pretend that there is less wisdom in the States, but they labor under almost unsurmountable difficulties. It is doubtful whether they will be able to collect much; and if they should, the burthen of these rival laws has been found nearly equal to another tax.

Besides, one State will tax another. The consumers will go to the most convenient market. So that the attempt to make each State pay its own debt will be defeated, and the payments will fall as unequally as if the assumption should take place, and the accounts not be settled. New Hampshire, Connecticut, Jersey, and North Carolina would pay almost wholly into the treasuries of the neighboring States. The non-importing States will be obliged also to impose direct taxes to pay their creditors, so that their citizens will be doubly taxed. If State excises then yield so little, and are so unequal, where are those mysterious State resources which are inaccessible to Congress? If they are not of an incommunicable nature, we can judge better by hearing the subjects of taxation named. It ought to appear that such exist, and that Congress could not draw them forth.

If you reject excises, you cannot have an adequate revenue; and if the States have also excises, the revenue will be impoverished and hazarded. For if an article can pay both duties there is a loss to get but one, it might as well be collected throughout the United States as in one State; and if it cannot pay both, one or both treasuries will suffer for the loss. Besides, you incur a double expense in collecting them.

What revenues are left you if the excise is rejected? With such a slender sum you cannot offer new terms. The modification of the entire debt, as first proposed, makes a saving in the capital of almost thirteen millions. The debt to be assumed is about twenty-four. The interest on the difference, or on the real increase of debt by assuming, is less than five hundred thousand dollars yearly.

We depend upon two principles for the security of the revenues. One is that the trading people will not be disposed to offend, and the other is that all others will be inclined to watch and expose them if they should. Never was so popular a revenue system. But the violence to the just demands of the creditors, depriving them of the money they have been used to receive, and creating in the States an interest to have your collection fail, in order to make the State funds effectual will produce a most dis-

astrous change. It is selling men's interests as well as opinions against you. Nor will the landed interest have a different sentiment, for they will be murmuring under the load of direct taxes, and the more the State revenues can be improved by lessening the National, the less they will have to bear.

What reason is there, then, for asserting that more money can be obtained, and more easily, by several systems than by one? This bold assertion, which the sense of America would refuse, if its experience had not done it already, is not true of imposts. I have endeavored to expose its fallacy with regard to State excises. They produce much evil and little money. Direct taxes, insufficient as they are, can be imposed by Congress to any amount, which ought to be required as well as by the States; and I do not know that they would be more obnoxious. It is true just complaint is made of their unequal operation, and I trust that Congress will not be under the necessity to call for them. What advantages for taxation do the States possess over Congress? We ought not to admit that any such exist till the reasons and facts are made known to us; which has not yet been done.

Without adequate funds the States cannot propose to their creditors a modification of the debt. By the Constitution they are restrained from passing laws to impair contracts. The burthen will rest upon the States, if not assumed, at six per cent.; for without funds the creditors will not consent to take less; if assumed, upon Congress at four; is this the more easy way of paying part of eighty millions? It makes a difference of several millions against the public.

If we commit an error by not assuming, it will be an expensive one. Have we funds so abundant and safe that we may divide and mangle with impunity? But we are told that probably there will be an assumption at the next session, and that it is improper to pass a decision at the present, especially as immediate provision is not to be made, and as delay will reconcile men's minds to the measure. This is plausible, but at least it is yielding the great point as to the principle. If the business should be referred to the next session with intent then to assume, the States will not impose taxes and frame funding systems for half a year. In the mean time, this state of their paper will make it the subject of the most pernicious speculation. It will be engrossed for a trifle by foreigners, and at the same time aggravate the scarcity of money by employing what there is in purchases. In this state of suspense and loss, will the public mind become tranquil? Will it unite the two sorts of creditors? But though you delay the interest on the State debts to 1792, you pass the revenue laws as soon as possible. By delay you will lose the revenue which may accumulate prior to that time. Suppose a million and a half obtained before the payment of interest shall begin, that sum will secure the interest

against any probable deficiency of the duties for two or three years. Will not the public, will not the creditors of every description, derive advantage from an immediate assumption and establishment of duties, and from the proposed delay of paying interest?

It is an unusual thing for a gentleman in a public assembly to assert, that four-fifths of the people are of his way of thinking. This, however, has been done. It is not strange for persons to mistake their own opinion for that of the public. These fond prepossessions may be received instead of evidence, but they cannot weigh much against evidence. My information may have been less diligently sought, and less carefully examined than that gentleman's; but I have compared it with what has been gathered by my friends, and I declare that I believe four-fifths of the wise and worthy men, in a very wide extent of country, look with strong disapprobation upon the injustice, and with anxious terror upon the impolicy of rejecting the State debts.

Little notice has been taken of an argument for the assumption, which, if just, is entitled to a great deal. I mean that which has been urged to show that it will strengthen the Government. The answer given is, that instead of pecuniary influence, new powers are wanting to the Constitution. This is not denying the argument, but asserting a proposition, which, if false, is to be disregarded, and if true, is not inconsistent with the point in question. So far from denying, it seems to admit the utility of the assumption, and asserts the utility of some other thing. Which other thing he has not explained, and if he had, it is probably unattainable, nor will its attainment, be it what it may, be prevented by the assumption. But before we ask for new powers on paper, let us exercise those which are actually vested in Congress. What will new powers avail us, if we suffer the Constitution to become a dead letter? What has dropped from the gentleman on this point amounts to an important concession. Little topics of objection sink to nothing when it is allowed that the assumption will strengthen the Government. Is the principle of union too strong? Do not all good men desire to make it perfect? What nation has more to hope from union, or to fear from disunion? Shall we make the Union less strong than the people have intended to make it, by adopting the Constitution? And do not all agree that the assumption is not a neutral measure? If its adoption will give strength to the Union, its rejection will have the contrary effect.

I have thought of this Government with the fondest enthusiasm. I have considered it as tending to mend the condition of mankind, and to perpetuate the blessings of liberty. At this late period of the debate, it is hardly possible for gentlemen to exercise impartiality. It will be an act of virtue, of magnanimous self-command to do more—to place themselves for a moment in the situation of the advocates of the

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assumption, and to see with their eyes. They love their country, and mean to serve it; and I am sure they would shrink from the spectre of its misery which haunts us; they would not consent to undo the Constitution in practice, to realize the evils which are only apprehended under the Confederation, and which were prevented by the total want of power in Congress. With this principle, however, it will be found that power enough is given to create division, and to make it fatal—it will beggar the Government, and bind it in chains.

No member rising immediately after Mr. AMES, and the Chairman being about to put the question,

Mr. SEDGWICK, after premising a few observations respecting the probability that some other gentlemen would wish to express their minds on the subject—in order to allow them an opportunity to do it, moved that the committee should rise. Mr. GALE moved an amendment to this motion, by adding, that the Chairman should report, “that the committee have gone through the twelve first sections of the bill, and that they be discharged from any further consideration thereof.” This amendment occasioned considerable debate. An appeal was made to the Chair, whether it was in order? The Chairman gave it as his opinion that it was. An appeal from the judgment of the Chairman was made to the committee, who confirmed the declaration—thirty-two members rising in favor of the affirmative. Some further debate ensued on the idea which had been suggested of taking up the business of assumption in a separate bill. Mr. SMITH, of South Carolina, moved an amendment to the amendment proposed by Mr. GALE; which was, to strike out what relates to discharging the committee. This motion the Chairman declared was not in order. The question being put on Mr. GALE's amendment, it was carried in the affirmative.

Mr. VINING having voted in the affirmative on Mr. GALE's motion, said, that as the vote he had now given might appear inconsistent with his past conduct on this great question, it became necessary that he should say something on the occasion. He said he was a warm advocate in favor of the State debts, agreeable to the plan proposed by the Secretary of the Treasury; the whole of that report was valuable—he should regret losing any part of it, and he had full confidence that the measure of assumption would be finally adopted. At present, however, he considered the object of the bill before the committee, independent of the bill proposed to be annexed, as of primary consequence to the United States. He thought the two objects might be separated; and he was not willing, by grasping at a shadow, to lose the substance. He thought the assumption might be brought forward, with propriety, in the form of a resolution, and he would pledge himself to do it. He thought this would comport with the idea of the Secretary.

Mr. SEDGWICK said, that the gentlemen in

favor of the assumption were very unfortunate in not being able to unite in the means of obtaining an object, which they not only approve, but consider as necessary to the execution of justice, and important to the welfare and happiness of their country. That a great majority of those who were in favor of the measure, thought it ought to be provided for before the funds should be established which are to secure the preservation of public credit. That other gentlemen were of opinion, that there was no natural connexion, and that therefore the subjects should be separated. That he himself was of the former opinion.

He said, it had been often asserted, and to his remembrance never denied, that the State debts were so unequal, that in some States it would be found impracticable to make an adequate provision for them, and, at the same time, for those States to contribute their equal proportion to the National Treasury. That these circumstances were well known to those men to whom the people would commit the administration of their State Governments. In this situation, what measures would the duty and interest of these men induce them to pursue? Unquestionably, without delay, by the best means in their power, to adopt a system for the preservation of public faith. Such a system, and that to be adopted by this Government could not concurrently be carried into execution; the one or the other must fail; both were the measures of Governments depending on popular opinion. That it ought to be a subject of inquiry, therefore, which would most probably be the object of popular affection. Here a knowledge of a few facts would be sufficient to determine the judgment. He said, he spoke only of Massachusetts, because his knowledge of facts on this subject did not extend beyond it; that in that State a very great proportion of the National securities had been alienated, and that at a very low state of depreciation. The purchasers of these securities, from principles well known, and which are inseparable from the human heart, were not the objects of affectionate regard; the system, therefore, which is to secure this debt cannot itself be popular. On the other hand, the State debt having had the interest regularly paid for some time, and at no time being without any provision for that purpose, had much the greater part of it remaining in the hands of the original holders. It was distributed throughout every part of the State, and in every village and neighborhood there remained a grateful recollection of the merit of those services which were rendered as the consideration for the existing demands against the Government; that from a cool and dispassionate reflection on these facts, gentlemen would be able with certainty to predict, without a spirit of prophecy, the issue of a Legislative contention on this ground between the National and State Governments.

Mr. S. said, that to his mind there was an inexplicable mystery in the conduct of gentle-

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men who declared themselves in favor of the assumption, and that they considered it irrelative to the subject of funding the debt, and yet declined giving the reason on which such an opinion was founded. That he ardently wished that the gentlemen would condescend to give the explanation their friends requested; hitherto they had mysteriously declined to do it. He requested that they would be pleased to remember that a very considerable majority of those who are in favor of the measure supposed the debts contracted by the States for the support of the war to be the proper debts of the United States. If this was a well founded opinion, there could not possibly exist a doubt but they should be added to the list which already contained many different species of securities, that now was certainly the proper time to determine whether that opinion was just or erroneous.

He further observed, that this was the proper time to determine on this subject from another very important consideration. If the State debts are assumed, all the sources of revenue, without violence or injustice, will be at the disposal and under the control of this Government. That without the assumption, seizing on those which are necessary to secure the interest of the State debts would be in the extreme both violent and unjust. That a tax, for instance, on spirituous liquors, was for many reasons proper, and would be in a great degree productive; that notwithstanding, should that article, under the present circumstances be excised, it would be putting this Government on a competition to which he believed it would be found unequal.

Mr. S. further observed, that the gentleman from Virginia (Mr. MADISON) at a time when he had not the happiness to be present, at the end of eight weeks' debate on this subject, during which time he had remained only a silent hearer, had come forward in a speech, which had been given to the public, and he was informed with great accuracy, that by means of discharging immediately afterwards the committee from the further consideration of the subject, no answer had been given to it; that this speech, which he feared was designed to make an unfair and undue impression on the public mind, was a performance, in his opinion, composed of unfounded facts, monstrous premises, and inconclusive deductions: that it would well become the magnanimity of the gentleman and the partiality of his friends, to permit a full examination of his argument, that it might justly be determined how far it deserved the character he had imputed to it.

The Committee then rose, and the chairman reported "that they had gone through the discussion of the twelve first sections of the bill making provision for the public debt of the United States." The question whether the Committee should be discharged was prevented from being taken, by an adjournment's being called for.

WEDNESDAY, May 26.

The petition of John F. Amelung, proprietor of a glass manufactory at New Bremen, in Maryland, was presented, praying for the patronage of Congress to his undertaking; referred.

Mr. PAGE rose, and moved that the Committee of the whole be discharged from considering the bill respecting the State of Rhode Island, which originated in the Senate, and hoped that it would be rejected; for, said he, I think, as the Convention of that State is to sit in a few days, we should have nothing before Congress which should tend to influence their choice of the Constitution under which they are to live. It peculiarly behooves this House, as representatives of republican States, which have always asserted their right to judge for themselves in all cases which interested them as freemen; which adopted the plan of Government after mature deliberation, unbiassed by any such motives as the bill alluded to holds out to Rhode Island. I say it becomes this House to take care therefore that their sister State, now about to consider of the propriety of adopting the Constitution, shall be as free to judge for herself as was any other State in the Union. Should this bill pass, and should Rhode Island adopt the Constitution, she will come with so bad a grace into the Union, that she must be ashamed when she enters it, and the independent States must blush when they receive her. She will be laughed at by the majorities in the other States, and despised by the minorities. How far this may tend to strengthen the Union, let those who favor the bill judge. She would be in the situation of a soldier pressed into the service, looked upon as unworthy to be ranged with the volunteers; suspected of an inclination to desert, till perhaps, indeed, it may become her interest, like his, to do so, and to act vigorously against those who had insulted her.

Surely, sir, it becomes this House to pity the frailty of the weak and ignorant, who knew not the blessings of our new Government, to forgive the perverse and wicked who oppose it from base principles, and to show a generous indulgence to that jealous, cautious, republican spirit, which indeed we should cherish and revere. Let this House manifest such a disposition, and I will venture to predict the happiest consequences. Rhode Island will find it her interest to unite with States possessing such magnanimity: her rights, she will see, can never be violated, and her true interests never can be neglected. But, sir, if we show we are more anxious to complete the numbers of our States than to preserve inviolate the rights of freemen, and the principles of the late glorious revolution: if we are more solicitous to restrict smuggling than to extend the benign influence of our new Constitution, through the State of Rhode Island, as well as through the twelve other States, what can that State expect from a Union with States thus disposed? But if we not only manifestly show this disposition, but also a malevolence resembling that which Great Britain

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showed, when she, in her rage, to answer her revenge, and to extend her despotic power over America, shut up the port of Boston, hoping to starve into submission its virtuous citizens. Must not the Rhode Islanders, like the Bostonians, detest the cruel attempt, resent it, and, by their resentment, may not the consequences be too much like those which followed in the case alluded to? May they not be applauded by true republicans throughout the world? May they not be supported by the enemies of our peace?

Sir, they will take advantage of every circumstance which may afford them an opportunity of gratifying their envy or revenge. There is, perhaps, but one nation upon earth, which wishes to see these States flourish in peace, and it may not be long before she may think that our growing greatness may interfere with hers. Let us not, therefore, run the risk of endangering the peace and harmony of the United States; let us not even wound the feelings of a sister State; let us not expose ourselves to the charge of inconsistency, impropriety, rashness, and cruelty; but let us, to avoid those charges, discharge the Committee of the whole, take up the bill in the House, and reject it at once, leaving Rhode Island unbiassed, by any thing Congress can do, to adopt or reject the Constitution, as they may think proper. If they adopt it, the bill will be unnecessary; if they should reject it, then let us leave them on a footing with foreigners—they are allies at present, and should be treated as such. But it is said our revenue is in danger. Sir, take my advice, and you will make it the interest of Rhode Island to unite with us, or at least lay her under a high obligation not to smuggle; but go on with the bill, and you force her to smuggle, nay, perhaps, to be your enemy for ever. States in Europe adjoining each other, show us that this bill is unnecessary. It would be thought madness there to interdict all commercial intercourse of neighboring States, merely with a view to prevent smuggling. It would I believe, too, be looked upon as equal to a declaration of war.

Sir, I lament that this bill has been committed; but if it should now be taken up and rejected, it will be doing all that can be done—and will show, that as soon as the attention of the House was turned to it, a proper regard was shown for the rights of freemen. This bill is too inconsistent with the character which the Representatives of these States ought to support; it has too much the appearance of certain British acts of Parliament, which our constituents have execrated. Surely, sir, the Representatives of Massachusetts must unite with me in opinion, that such a bill should not be committed. The members of States which applauded the glorious spirit of that State in opposition to a similar act who risked their all in her support, and thereby acquired liberty and immortal honor, will, I trust, vote with me; and surely the States which came late into the Union, and such as

adopted the Constitution by a small majority, will consider that the case of Rhode Island might have been their own. Surely, even those, if such there be amongst us, who think that devoted State to be as British Ministers said America was—a nest of miscreants—will allow that it will be inhuman to punish the innocent with the guilty. I think, therefore, that the bill deserves not the sanction of this House; that it is impolitic and unjust. I hope the committee will be discharged, and the bill taken up for a third reading, and rejected, time enough, to leave the Convention of Rhode Island free to adopt the Constitution, or reject it, as they may please.

Let us consider with what indignation the Convention of any of the States which we represent, if about to sit on such an occasion, would have received such an act of Congress. Would they not have protested against it as an insult, and adjourned without deliberating on the favorite Constitution? Is there a man in this House, were he in such a Convention, who would not agree to such protest and adjournment? But, sir, let us consider the design of the bill. If it be intended to induce the State of Rhode Island to come into the Union, I think I have shown that it is badly calculated to answer that purpose: and if it be intended to prevent smuggling, I think I have shown that it is more likely to produce that evil than to prevent it. If the motion be agreed to, no inconvenience can arise, but much mischief may be prevented. I hope, therefore, that the House will agree with me, that the Committee of the whole be discharged, and will not leave such a bill hanging over the heads of the people of Rhode Island, which must put them into a situation different from that of any other State in the Union when they adopted the Constitution. Let it not be said, sir, I conjure this House, that the confederated republics of America have united upon any other principle than that of a free and perfect conviction of the excellence of their federal plan of Government. Let it not be said that fear had any share in bringing even the smallest State into the Union. Let us not treat a sister State in the very manner we disdained to be treated by Great Britain.

Several gentlemen observed on the impropriety of the motion, as the bill was made the order of a future day, next Monday, and Mr. PARKER having withdrawn his second, the motion subsided.

#### PUBLIC DEBT.

The House then proceeded to consider the report made yesterday by the Committee of the whole House on the bill making provision for the debt of the United States: whereupon, the Committee of the whole was discharged from the further proceeding on the said bill.

And then the amendments proposed by the said committee to the first, second, fourth, eighth, and twelfth sections of the said bill, being severally read at the Clerk's table, were,

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on the question put thereupon, agreed to by the House.

The following amendment to the third section being under consideration, to wit:

"To the end of the section, add, "Those which shall be issued for the bills of credit, issued by the authority of the United States in Congress assembled, at the rate of one hundred dollars, in the said bills, for one dollar in specie."

Some debate took place, and the yeas and nays being called upon it, were as follow:

YEAS.—Messrs. Ames, Benson, Boudinot, Burke, Cadwalader, Fitzsimons, Floyd, Foster, Gale, Gerry, Gilman, Goodhue, Griffin, Grout, Hathorn, Huger, Huntington, Leonard, Livermore, Partridge, Rensselaer, Schureman, Sedgwick, Sherman, Smith, of Maryland, Sylvester, Sturges, Sumter, Thatcher, Tucker, Wynkoop.—31.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Carroll, Coles, Contee, Hartley, Heister, Jackson, Lawrence, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Scott, Seney, Sinnickson, Smith, of South Carolina, Steele, Stone, Trumbull, White, Williamson.—25.

A further provision was then moved for, that interest should be computed on the said bills from the — day of —.

This also caused some debate, and was decided by yeas and nays:

YEAS.—Messrs. Ames, Foster, Gerry, Gilman, Goodhue, Grout, Hathorn, Huger, Leonard, Livermore, Partridge, Sedgwick, Sumter, Thatcher, Tucker.—15.

NAYS.—Messrs. Ashe, Baldwin, Benson, Bloodworth, Boudinot, Burke, Cadwalader, Carroll, Coles, Contee, Fitzsimons, Floyd, Gale, Griffin, Hartley, Heister, Huntington, Jackson, Lawrence, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Rensselaer, Schureman, Scott, Seney, Sherman, Sylvester, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Steele, Stone, Sturges, Trumbull, White, Williamson, Wynkoop.—42.

And the main question being put, that the House do agree to the amendment to the said third section, as before amended, it was resolved in the affirmative.

THURSDAY, May 27.

#### UNITED STATES AND INDIVIDUAL STATES.

Mr. FITZSIMONS, from the committee appointed for the purpose, presented a bill to provide for the settlement of the accounts between the United States and the individual States, which was twice read and committed.

#### PUBLIC DEBT.

The House proceeded to consider the bill which lies on the table, making provision for the debt of the United States.

Mr. HEISTER moved, that so much of the third section as respects funding the indents should be struck out. This motion was supported by Messrs. JACKSON, WILLIAMSON, and PAGE. Mr. HEISTER gave a statement of certain facts relating to the situation of Pennsylv-

vania in regard to indents; and enforced the propriety of his motion in a speech of considerable length. The motion was opposed by Messrs. SHERMAN, FITZSIMONS, GERRY, and VINING; and on the question being put it was negatived, ten or eleven members only rising in favor of it.

On motion of Mr. FITZSIMONS, the section respecting the non-subscribing creditors was amended by inserting these words: "including the interest to the last day of December next." The bill was then ordered to be engrossed for a third reading on Monday next.

Mr. BOUDINOT read a number of resolutions in favor of the assumption of the State debts, in substance Mr. GERRY's late proposition. These were laid on the table.

#### NEXT MEETING OF CONGRESS.

Mr. FITZSIMONS read the following resolution, which was laid on the table, viz.

*Resolved*, That Congress will meet and hold their next session at Philadelphia.

#### FOREIGN INTERCOURSE.

A message was received from the Senate informing the House that they have passed the bill providing the means of intercourse between the United States and foreign nations, with one amendment; also that the President of the United States has given his assent to the act to continue in force the act to regulate processes in the courts of the United States, and the act for the government of the Territory south of the river Ohio.

The above amendment was to strike out the clauses which specify the officers to be employed abroad, and the salaries to each; and leave the application of the sum appropriated by the bill to the President of the United States. On the question to agree to this amendment, the yeas and nays were demanded, and are as follows:

AYES.—Messrs. Ames, Benson, Cadwalader, Gale, Goodhue, Griffin, Hartley, Heister, Huntington, Lawrence, Lee, Parker, Partridge, Smith, of South Carolina, Stone, Trumbull, Vining, Wynkoop.—18.

NAYS.—Messrs. Baldwin, Bloodworth, Boudinot, Brown, Burke, Carroll, Coles, Contee, Fitzsimons, Floyd, Foster, Gerry, Gilman, Grout, Hathorn, Huger, Jackson, Leonard, Livermore, Madison, Matthews, P. Muhlenberg, Moore, Page, Rensselaer, Schureman, Sedgwick, Scott, Seney, Sherman, Sylvester, Sinnickson, Steel, Sumter, Thatcher, Tucker, White, Williamson.—38.

#### AMENDMENTS TO THE CONSTITUTION.

Mr. STEELE's motion on the subject of amendments was taken up.

The motion was divided; and the first part, respecting the appointment of a committee to examine and report the decisions of the several States on the amendments proposed by Congress to the Constitution of the United States, was agreed to; and Messrs. STEELE, MOORE, and CONTEE were appointed. The other part respecting additional amendments was negatived.



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Next Meeting of Congress.

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## PUBLICATION OF TREATIES.

Mr. GERRY laid the following resolution on the table.

*Resolved by the Senate and House of Representatives, That all treaties made, or which shall be made, by the United States, be published and annexed to the laws of the United States.*

## BARON STEUBEN.

Another message was received from the Senate, informing the House that they had passed Baron Steuben's bill with amendments. The said amendments were laid on the table. The Senate propose to increase the annuity from two thousand to two thousand five hundred dollars, and to disallow the payment of the seven thousand dollars.

FRIDAY, May 28.

## DEBTS OF THE STATES.

On motion made that the House do agree to certain resolutions, making provision for the payment of the debts of the individual States, it was ordered that said resolutions be committed to a Committee of the whole.

## BARON STEUBEN.

The House took up the amendments proposed by the Senate to the bill for adjusting and satisfying the claims of Frederick William de Steuben. Mr. GOODHUE moved that the consideration thereof be postponed to the next session. This motion was opposed by Messrs. GERRY, VINING, SMITH, of South Carolina, PAGE, CARROLL, and LIVERMORE, and being put was negatived.

The several amendments were agreed to. That which proposes, after striking out the seven thousand dollars, to add five hundred dollars to the annuity, was, on motion of Mr. THATCHER, determined by ayes and nays.

**AYES.**—Messrs. Ames, Benson, Boudinot, Burke, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Floyd, Gale, Gerry, Hartley, Heister, Hugger, Huntington, Lawrence, Lee, Livermore, Moore, Muhlenberg, Page, Parker, Scott, Sylvester, Smith, of South Carolina, Trumbull, Tucker, Vining, White, and Wynkoop.—32.

**NAYS.**—Messrs. Ashe, Baldwin, Bloodworth, Brown, Foster, Gilman, Goodhue, Griffin, Grout, Hathorn, Jackson, Leonard, Partridge, Rensselaer, Schureman, Seney, Sherman, Sinnickson, Smith, of Maryland, Steele, Stone, Sturges, Sumter, Thatcher, and Williamson.—25.

Mr. STONE laid the following motion in substance on the table, viz. that the Committee of the whole be discharged from attending to the bill for repealing the duties on wines, teas, &c. and laying others in their stead, and that said bill be referred to a select committee, who are to be instructed to report such duties as in their judgment may be adequate to the payment of the interest on the foreign and domestic debt of the United States, and the support of Government, without interfering with

the revenues which may be appropriated by the respective States for paying the interest on their particular debts, and the support of their Governments.

MONDAY, May 31.

## FOREIGN INTERCOURSE.

A message from the Senate informs the House that they desire a conference on the subject-matter of their amendment, disagreed to by this House, to the bill providing the means of intercourse between the United States and foreign nations.

## NEXT MEETING OF CONGRESS.

Mr. FITZSIMONS moved that the motion laid on the table, respecting Congress holding their next session at Philadelphia, should be taken up.

Messrs. SHERMAN and LIVERMORE objected to the motion. It was observed that the third reading of the Funding bill was the order of the day, which was a subject of the greatest importance, on which the House has been long deliberating, and which has never been before the Senate. The subject occasioned a lengthy discussion the last session, and will probably introduce much debate whenever renewed.

Mr. VINING supported the motion. He observed that the business was now brought forward in the most simple form, unconnected with those questions of permanency, &c. with which it was formerly encumbered. He hoped the resolution would be immediately attended to; it was certainly of some consequence to determine whether Congress should in future hold their sessions nearer the centre of the Union or not. The question now comes before us in an abstract form; the members are free and unembarrassed; no undue influence or combinations that he knew of existed.

Mr. LAWRENCE opposed the motion; and urged taking up the business which had a prior claim to the attention of Congress.

Mr. THATCHER observed, that as there was business of the greatest consequence before the House, and on which the public mind is particularly anxious, and this question is confessedly trifling and unimportant in a comparative view, he hoped that the time of the House would not be consumed in discussing it. He did not think it of two paper dollars' consequence to the United States whether Congress sat at New York, Philadelphia, or on the Potomac.

Messrs. VINING and HARTLEY replied to Mr. THATCHER.

Mr. SHERMAN observed, that the business more immediately before Congress he considered of so much consequence that he could wish the present motion might be withdrawn. He should have no objection to taking it up next Tuesday or Wednesday.

Mr. FITZSIMONS said, that if the House would agree that it should be taken up next Tuesday or Wednesday, he was not so tenacious of the

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present moment as to object to such a postponement.

Mr. LIVERMORE objected to the House's pledging itself to take up the motion next week.

Mr. WHITE was in favor of taking up the motion at the present time; he conceived that it might be soon determined. Recurring to the Journals, he said, it appears that in last session there was a considerable majority of the House in favor of Germantown as the permanent residence; that being the case, there can be no difficulty in fixing on Philadelphia as a temporary residence. He wished, therefore, the question might now be determined.

Mr. PARKER was in favor of deciding on the question. He mentioned a variety of inconveniences which resulted from meeting in New York.

Mr. GERRY replied particularly to the two last gentlemen, and observed, that it is of more consequence to the people what Congress do than where they sit.

Mr. SMITH objected to the motion. He considered the question as unimportant to the community at large whether Congress met at one place or another. He considered it improper in itself, as it is certain that the present Congress will hold another session. The members of this Congress were chosen to meet in New York. He thought it quite unnecessary that at the last session the members should be dragged away to another place. He added many other observations, and concluded by saying that he should call for the ayes and nays.

Messrs. WILLIAMSON, BURKE, and BLOODWORTH made a few remarks. A sufficient number of members rising in favor of calling the ayes and nays, they are as follows:

**AYES.**—Messrs. Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Scott, Seney, Sinnickson, Steele, Stone, Sumter, Vining, White, Williamson, and Wynkoop.—32.

**NAYS.**—Messrs. Ames, Benson, Bloodworth, Boudinot, Burke, Floyd, Foster, Gerry, Goodhue, Grout, Huger, Huntington, Lawrence, Leonard, Livermore, Partridge, Rensselaer, Schurman, Sedgwick, Sherman, Sylvester, Smith, of Maryland, Smith, of South Carolina, Sturges, Thatcher, Trumbull, and Tucker.—27.

So it was determined to take up the resolution. The resolution was then read.

Mr. LAWRENCE observed, that at the last session it was said that the union of the States depended on fixing the permanent residence. He queried whether it would be more easy to fix on this residence after an adjournment to Philadelphia? If Congress remove to Philadelphia, he conceived the difficulty of ever fixing on a permanent residence would be much increased, and probably rendered insuperable. How far the question of permanency would be involved in the present discussion he would not pretend to say. The last session the ques-

tion greatly agitated the House, in a manner that the members generally regretted that it had been brought on. He considered the question as local, and in that view he thought it ought to subsidize till business which concerned the whole Union should be decided on. He thought the question premature so far as it might involve the idea of a permanent residence, as it appeared to be proper to wait till the enumeration of the inhabitants should be completed. New York does not contemplate Congress tarrying here for a long season. He observed that for a variety of reasons it was as proper a situation as any for a temporary residence.

Mr. HUNTINGTON objected to the resolution, and on general principles contended for Congress tarrying where they now are. He pointed out the difficulties and expense which would attend the removal. He adverted to the conveniences and accommodations of this city; but he was opposed particularly to the idea of change till a permanent situation should be fixed on.

Mr. BOUDINOT said, he voted against the question's coming on, on the principle that more important business is before the House. He added other observations, and moved that the resolution should be amended so as to include the idea of a permanent residence, in these words: "Resolved, that the permanent seat of the Government of the United States shall be fixed in some convenient place on the banks of the Delaware, and that Congress meet and hold their next session, &c." This was made a question of order. The Speaker determined that the motion was not in order. An appeal was made to the House, and the question decided by yeas and nays.

**YEAS.**—Messrs. Benson, Boudinot, Burke, Coles, Floyd, Foster, Gerry, Goodhue, Hathorn, Huntington, Lawrence, Lee, Leonard, Livermore, Madison, Partridge, Rensselaer, Schurman, Sedgwick, Seney, Sherman, Sylvester, Smith, of Md., Smith, of S. C., Stone, Sturges, Thatcher, Trumbull, Tucker.—29.

**NAYS.**—Messrs. Ames, Ashe, Bloodworth, Baldwin, Brown, Clymer, Contee, Cadwalader, Fitzsimons, Gale, Gilman, Griffin, Grout, Hartley, Heister, Jackson, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Sinnickson, Steele, Sumter, Vining, White, Williamson, Wynkoop.—29.

The Speaker having before decided in the negative, the amendment was lost.

Mr. LAWRENCE moved that the question be referred to a Committee of the whole House.—This was lost.

Mr. SMITH, of Maryland, moved that the resolution be amended by striking out Philadelphia, and inserting Baltimore.

Mr. SHERMAN moved Wilmington.

Mr. VINING observed, that as there was no probability of carrying Wilmington, he could consider the motion in no other light than as designed to embarrass.

Mr. AMES rose to exculpate Mr. SHERMAN

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from the imputation of insincerity. He said he had uniformly discovered a predilection for Wilmington.

The debate was continued respecting Philadelphia and Baltimore.

Mr. SENEY, Mr. STONE, and Mr. LAWRENCE spoke in favor of Baltimore, as being more central.

Mr. WHITE, Mr. HARTLEY, and Mr. FITZSIMONS, against the motion.

Mr. SMITH, of Maryland, mentioned some particulars of the commerce of Baltimore; the laws they have passed respecting ceding to Congress ten miles square; he also informed the House that the inhabitants of that town had raised a subscription of between 20 and £30,000 to erect suitable accommodations for the members.

Mr. FITZSIMONS, after observing that his object being to remove from New York, proposed that the place should be left blank; the House agreeing to this.

It was then moved that the blank should be filled up with New York.

Mr. GERRY said, he considered the question of great importance, and if no sufficient reason can be assigned for it, it will be found to be attended with very serious consequences. What reason can be given for the removal? I know of none; if Congress should meet the next session at Philadelphia, it will very probably be moved to return again to New York; and thus Congress will be as a political shuttlecock, bandied about between two rival cities. He contrasted the accommodations of New York and Philadelphia, and gave the preference to those of the former. He adverted to the expense the city of New York had been at to accommodate the Government, and said, that Congress could not remove with honor, without reimbursing them the expense. He thought it of importance to determine the question respecting the temporary and permanent residence of Congress; for while the question remains doubtful, it will always be insinuating itself in all great national questions. Is this a situation for this Government to continue in? He replied to some observations respecting the "wealth and security of Philadelphia," and observed, that with respect to the latter, there was no great force in the remark, as it is a time of profound peace, and no inconvenience had, as he believed, or would arise on account of the former.

On the question to insert New York, the yeas and nays were as follows:

YEAS.—Messrs. AMES, Benson, Bloodworth, Boudinot, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huger, Huntington, Lawrence, Livermore, Partridge, Rensselaer, Schureman, Sedgwick, Sherman, Sylvester, Smith, of S. C., Sturges, Thatcher, Trumbull, Tucker.—25.

NAYS.—Messrs. ASHE, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Goodhue, Griffin, Hartley, Heister, Jackson, Lee, Leonard, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Seney, Sinnick-

son, Smith, of Md., Steele, Stone, Sumter, Vining, White, Williamson, Wynkoop.—35.

Baltimore and Philadelphia were then proposed to fill up the blank, almost at the same instant; some debate ensued, which should be put first.

Mr. CARROLL observed, that as he saw no probability of carrying Baltimore, though he considered it as a proper place, on account of its being more central than any other that has been mentioned, he should vote for Philadelphia, as being nearer the centre than any other situation he saw a prospect of being agreed to.

Mr. SENEY moved an amendment, to add after Philadelphia "or Baltimore."

Mr. VINING, Mr. HARTLEY, and other members opposed the motion, as leading to no decision with respect to either place.

The motion for adding Baltimore was determined in the negative.

YEAS.—Messrs. Benson, Bloodworth, Burke, Floyd, Gerry, Grout, Hathorn, Huger, Jackson, Lawrence, Partridge, Rensselaer, Seney, Sylvester, Smith, of Md., Smith, of S. C., Stone, Sturges, Sumter, Thatcher, Trumbull, Tucker.—22.

NAYS.—Messrs. ASHE, Ames, Bloodworth, Boudinot, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Foster, Gale, Gilman, Goodhue, Griffin, Hartley, Heister, Huntington, Lee, Leonard, Livermore, Madison, Matthews, Moore, Muhlenberg, Parker, Page, Schureman, Scott, Sedgwick, Sherman, Sinnickson, Steele, Vining, White, Williamson, Wynkoop.—38.

The question for inserting Philadelphia was also determined by yeas and nays.

YEAS.—Messrs. ASHE, Baldwin, Boudinot, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Goodhue, Griffin, Hartley, Heister, Jackson, Lee, Leonard, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Partridge, Scott, Seney, Sinnickson, Smith, of Md., Steele, Stone, Sumter, Thatcher, Vining, White, Williamson, Wynkoop.—38.

NAYS.—Messrs. AMES, Benson, Bloodworth, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huger, Huntington, Lawrence, Livermore, Rensselaer, Schureman, Sedgwick, Sherman, Sylvester, Smith, of S. C., Sturges, Trumbull, Tucker.—22.

The proposition as filled up was then put and agreed to.

Sundry reports from the Secretary of the Department of War were read.

Mr. MOORE presented several papers containing representations from the people of a particular part of Virginia, respecting inconveniences which attend holding the Federal Courts in that State, and moved for leave to bring in a bill to repeal part of the judicial law.

TUESDAY, June 1.

#### ACCOUNTS BETWEEN THE STATES AND UNITED STATES.

On motion of Mr. WILLIAMSON, the House went into a Committee of the whole on the bill providing for the settlement of the accounts between the United States and individual States, Mr. SENEY in the chair.

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The first clause proposed that the Secretary and Comptroller of the Treasury should be associated with the three Commissioners already appointed. This was objected to by Mr. GERRY; he observed that if the appointment of the additional Commissioners was vested in the Supreme Executive, agreeably to the Constitution, there can be no doubt that the appointments would be made from such different parts of the Union as would give universal satisfaction. Upon the plan of the bill two of the Commissioners will be from South Carolina; Mr. KEAN and the Comptroller, from an extreme part of the Union. This, he presumed, would not give satisfaction; besides, he said, it was invading the prerogative of the President. He moved therefore that the words "Secretary and Comptroller of the Treasury" should be struck out, and the words "two Commissioners" inserted.

Mr. SEDGWICK rose to inquire why there should be an addition to the Commissioners? He observed that increasing the men who are appointed to transact any business is generally found to protract the completion of such business; he had very little hope that the accounts, in the way they are now in, would ever be satisfactorily settled; he moved to strike out the whole clause.

Mr. WILLIAMSON made some observations in support of the clause.

Mr. FITZSIMONS, one of the committee, stated the reasons which induced them to make the association. He observed that the objections which had been now made occurred to the committee. With respect to the objection from the Comptroller's being from South Carolina, that was obviated by its being known that the accounts of that State were fully and very accurately made out by the late Commissioner from that State, and therefore no undue influence was to be apprehended on that account; that from the Comptroller's appointment as an officer of the United States, and not of any particular State, and his being connected with the Treasury Department, there appeared to be a propriety in associating him with the Commissioners. An increase in the number of the Commissioners had been found on experience to be absolutely necessary for a variety of reasons which he stated.

Mr. SHERMAN expressed his approbation of the clause in the bill. He thought the addition proposed would be a measure of utility, that it was proper in itself; and with respect to the Comptroller, he was so well acquainted with him, that he had the fullest confidence in his abilities and integrity. The proposition is eligible in another view, as it will be deriving great advantage from the abilities of the gentleman without any additional expense.

Mr. LAWRENCE opposed the clause on similar principles with those offered by Mr. GERRY; and with respect to increasing the weight of public business in the hands of those officers, without an allowance for it, he could not see either the justice or propriety of it.

Mr. VINING read a clause, which he proposed to offer as a substitute for that in the bill; the object of which was to bring this business into the Treasury Department, under the superintendence of the Secretary of the Treasury and the Secretary of State.

This idea received the approbation of Mr. MADISON. He stated the different principles from those which under the Confederation directed the public establishments, which ought to influence the Government under the present Constitution.

Mr. GERRY objected to the proposed substitute. He considered it as a very extraordinary innovation. He argued against it principally on the ground of its unconstitutionality, as interfering with the right of the President and Senate in making the appointments. He replied to the answer which had been given to his objection, from there being more than one Commissioner from a particular State; he observed the answer proved too much; he had as high an opinion of the honor and abilities of the gentleman alluded to as any member of the committee, and he had no doubt that competent characters to form the whole board might be selected from many particular parts of the United States; but would any gentleman, said he, think such a measure politic or eligible? The appointments made by the President of the United States were upon a different principle; he controverted the idea of vesting such extensive powers as the substitute offered by Mr. VINING proposed, and with respect to appointments, he observed, that of all the branches of the Legislature, the House was perhaps the least qualified to make them.

Mr. VINING supported his proposition; he observed that his motion was not a greater innovation than that proposed by the bill; he stated the incompetency of the present system; he thought the House had been too much influenced by the resolutions and regulations of the old Congress; he wished that principles and not precedents should influence the decisions of Congress in future. With respect to the present Commissioners he had as high an opinion of the abilities of the gentlemen as any man, and he doubted not that they would be re-appointed; he expatiated on the necessity of a new arrangement in this business, and enforced the propriety of appointing characters eminent in the public estimation, whose decisions would be the result of a comprehensive and competent view of the subject.

Mr. GERRY's idea was finally adopted by the House, and the appointments of additional commissioners devolved on the President of the United States.

The committee rose and reported progress.

#### AMENDMENTS TO THE CONSTITUTION.

A message was received from the President of the United States, informing the House, that he had received official information of the ratification and adoption of the Constitution of the

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United States, by the State of Rhode Island and Providence Plantations, on which event he congratulated the House. A letter from the President of the Convention to the President of the United States accompanied the message, which was read.

#### RHODE ISLAND.

Mr. SMITH, of South Carolina, then moved that the Committee of the whole should be discharged from considering the bill to prevent a commercial intercourse with the State of Rhode Island, &c., which was immediately put and carried in the affirmative.

On motion of Mr. SEDGWICK, a committee was appointed to report a bill or bills for giving effect to the laws of the United States, in respect to the State of Rhode Island and Providence Plantations.

#### DEATH OF THEODORIC BLAND.

Information having been received of the death of the Honorable THEODORIC BLAND, one of the members of the House—Mr. JACKSON moved that a committee should be appointed to superintend his funeral.

This business was specially referred to the delegation from the State of Virginia.

Mr. GERRY's motion for printing the treaties between the United States and foreign nations, and annexing them to the code of laws, was taken up and passed.

WEDNESDAY, June 2.

#### PUBLIC DEBTS.

The engrossed bill making provision for the payment of the debts of the United States, was read the third time and passed.

Mr. CARROLL, from the committee to whom was referred the petition of John F. Amelung, made a report.

#### DEBTS OF THE STATES.

The House again resolved itself into a Committee on the bill for settlement of the accounts between the United States and individual States, Mr. SENEY in the chair. The committee not having got through the bill, rose and reported progress.

On motion of Mr. GERRY,

*Resolved unanimously,* That the members of this House, from a sincere desire of showing every mark of respect due to the memory of THEODORIC BLAND, deceased, late a member thereof, will go in mourning for him one month, by the usual mode of wearing a crape round the left arm.

Mr. SEDGWICK, from the committee appointed on the subject, presented a bill for giving effect to the laws of the United States within the State of Rhode Island and Providence Plantations, which was twice read and committed.

THURSDAY, June 3.

The Senate informed the House, that they have agreed to the resolution for the publication of Treaties made under the authority of the United States.

#### GLASS MANUFACTURES.

The House proceeded to consider the report

of the committee on the petition of John F. Amelung. The resolution in favor of the petitioner by the committee, was as follows: "That the Secretary of the Treasury of the United States be authorized to make a loan not exceeding \$8,000 to the said John F. Amelung, he giving satisfactory security for the reimbursement of the same within — years." The question was on agreeing to this resolution.

Mr. CARROLL gave a history of the rise and progress of this gentleman's exertions in establishing an American Glass Manufactory; it commenced in 1775. He brought into the country upwards of 200 persons, and has expended in this undertaking £20,000. Owing to a variety of accidents, and particularly the extraordinary rise in the price of grain, he now finds himself greatly embarrassed in prosecuting the business; but if he can be so far patronized by Government as to be favored with a loan of 3 or 4,000 pounds, it would afford him such relief as would enable him to surmount every difficulty.

Mr. SMITH, of South Carolina, and Mr. SHERMAN, objected to the report of the committee. They doubted the constitutionality of the power of Congress to loan the money of their constituents; they objected to it on account of the precedent it would establish, and supposed that the encouragement and assistance would be applied for with more propriety to the State Government.

Mr. CARROLL made some observations in reply to these remarks.

Mr. VINING said, he had no idea of losing a good thing lest a precedent should be established, which no future circumstances might probably call into use. He then adverted to the extraordinary and peculiar circumstances of this gentleman, and on general national principles, contended that it was conformable to the dictates of the soundest policy to encourage and assist the undertaking. He said, that the Constitution does not prohibit the Government from loaning money, it is a mere act of legislation, and Congress may do it, or let it alone. Congress are vested with a general power to encourage the arts and manufactures of the United States; this is one mode of affording this encouragement. He enlarged on the importance of manufactures, and that of making glass in particular, by which, if duly encouraged, immense sums of money might be prevented from being sent out of the country.

Mr. BOUNDIXOT, who was one of the committee which brought in the report, gave an account of the manufactory, and said he had seen of the glass made in it, which was superior to any ever before produced in America. He contended, that Congress had a right, by the Constitution, to loan the money; he cited several instances in point; which, said he, are unconstitutional acts if this proposition is. He expatiated on the merits of the petitioner, in embarking such large property in prosecuting a business of so general utility, and pointed out

the consequences which would result from a failure of this application, which would be greatly injurious to the petitioner and the public.

Mr. SHERMAN read that part of the Constitution which he conceived was contrary to the proposition in the report.

Mr. SEDGWICK said, he had no doubt of the constitutionality of the measure in granting the money, still he doubted the eligibility of any partial application of the public patronage and encouragement. He mentioned the various manufacturing enterprises on foot through the United States; many of these are languishing, said he, for want of that encouragement which is now solicited in this particular instance. He had no doubt of the merits of the petitioner; and although he was in favor of giving all due encouragement to industrious foreigners, yet he doubted the propriety of doing this in a partial manner, and in preference to the natives of this country; if the subject should be brought forward on general principles, said he, it shall receive my hearty support, so far as the circumstances of the country will admit.

Mr. AMES entered into a particular discussion of the subject of manufactures, and dilated on their utility and importance in the United States. He pointed out the difficulties which attended setting them up in this country, from the competition they have to contend with of foreign articles. He then stated the principles on which public patronage ought to be extended to undertakings in this line; his idea was, that such as are of general advantage to the public should be so far encouraged as to place the manufactures upon terms of equality with foreign manufactures of a similar nature; he did not conceive the present circumstances of the United States would justify or enable them to undertake to afford this encouragement generally; but he supposed that there was a propriety in taking up particular branches, and determining what particular aid they shall receive.

Mr. JACKSON was opposed to the report. He was averse to any partial encouragement; particularly of foreigners in preference to our own citizens, whose circumstances are in many respects truly deplorable from the failure of manufactures, which had long been established in the country. He observed, that our creditors had a prior claim on the revenue, and that the measure was precipitate. Gentlemen are not content, said he, with placing the American tonnage in a hot-bed, but they are now for placing manufactures also in one. He supposed the State of Maryland would derive great advantage from this undertaking, and that they would encourage the petitioner without doubt; he wished the gentleman success, but was for referring him to the State Legislature.

Mr. SENEY supported the report of the committee, and urged the propriety of the application to the General Government, as the undertaking is of general utility, and such extraordinary exertions merited the notice, patronage, and assistance of the United States at large.

Mr. GERRY, after a variety of other observations, said, the agricultural and commercial interests of the United States had found warm advocates in the House; manufactures had found some friends, but, he believed, not to so great a degree as the other two. He wished that some mode could be devised to unite in measures to promote the interests of all three. He concluded, by saying that as there appeared to be a variety of sentiments on the subject, he wished the House should go into a Committee of the whole on the business.

Mr. STONE made some observations in favor of the report.

Mr. SMITH, of South Carolina, replied to the several speakers in favor of the report. He reprobated the resolution as unconstitutional, as opening a door to innumerable applications; he contended that there was no probability of effectual and certain aid to the manufacture, as it is acknowledged that £20,000 have been employed in the undertaking, and yet it is in danger of failing. He then read an advertisement of Mr. Amelung, in which he says he is still able to furnish the public with glass. He observed, that from all circumstances he was led to conclude that if the money was once granted, it would never be again realized by the Government, as in case of accidents, which are very probable in that business, Congress will be applied to, on account of misfortunes, to remit their claim. The report was negatived.

#### UNITED STATES AND INDIVIDUAL STATES.

The House again went into a Committee on the bill to provide for the settlement of the accounts between the United States and individual States, Mr. SENEY in the chair. Sundry amendments were agreed to, and several clauses expunged. The committee rose and reported progress.

FRIDAY, JUNE 4.

#### RHODE ISLAND.

The engrossed bill for giving effect to the laws of the United States within the State of Rhode Island and Providence Plantations, was read the third time and passed.

Mr. SEDGWICK, from the committee appointed for the purpose, presented a bill for giving effect to an act to establish the Judicial Courts of the United States within the State of Rhode Island and Providence Plantations, which was twice read and committed.

#### U. STATES AND INDIVIDUAL STATES.

The House again went into a Committee on the bill to provide for the settlement of the accounts between the United States and the individual States, Mr. SENEY in the chair. The committee had nearly finished their discussion, when they rose and reported progress.

Mr. MADISON moved that the Committee of the whole be discharged from the further consideration of this bill; which motion being carried, this bill will hereafter be taken up in the House.



JUNE 10, 1790.]

Seat of Government.

[H. OF R.]

MONDAY, June 7.

## POST OFFICE.

Mr. LIVERMORE, from the Committee to whom was recommitteed the bill for regulating the Post-office of the United States, presented an amendatory bill to establish the post-office and post-roads within the United States; which was twice read and committed.

## CENSUS ACT EXTENDED TO RHODE ISLAND.

Mr. SEDGWICK, from the Committee appointed for the purpose, presented a bill for giving effect to an act providing for the enumeration of the inhabitants of the United States, in respect to the State of Rhode Island and Providence Plantations; which was read twice and committed.

## U. STATES AND INDIVIDUAL STATES.

The House proceeded to the consideration of the report of the Committee of the whole on the bill to provide for the settlement of the accounts between the United States and the individual States, and agreed to the same.

Several amendments were then proposed to the bill, some of which were agreed to; and on motion of Mr. SCOTT, a clause was added to increase the salaries of the clerks of the Commissioners from four hundred dollars per annum to five hundred, the salaries given in all the other offices.

Mr. MADISON then moved for another amendment, the consideration of which was postponed till to-morrow.

TUESDAY, June 8.

## RHODE ISLAND.

The engrossed bill for giving effect to the act to establish the Judicial Courts of the United States within the State of Rhode Island and Providence Plantations, was read the third time and passed.

On motion of Mr. BOUDINOT, a Committee was appointed to inquire and report to the House the business necessary to be transacted previous to an adjournment.

## U. STATES AND INDIVIDUAL STATES.

The bill providing for the settlement of accounts between the United States and individual States, was taken into consideration. Several amendments were proposed and debated: some of them were agreed to, and others rejected. The bill being finished, it was ordered to be engrossed for a third reading.

## DUTIES ON SPIRITS.

The House resolved itself into a Committee of the whole on the bill for repealing, after the last day of — the duties heretofore laid on distilled spirits of foreign manufacture, and laying others in their stead, Mr. BOUDINOT in the chair. The bill being read, some progress was made in the discussion; the committee then rose, and the House adjourned.

WEDNESDAY, June 9.

## U. STATES AND INDIVIDUAL STATES.

The engrossed bill to provide for the settlement of the accounts between the United States and the individual States was read the third time, and recommitteed to a Select Committee.

A message from the Senate informed the House that they have passed the bill giving effect to the several acts therein mentioned to the State of Rhode Island and Providence Plantations, with an amendment; which, being considered, was agreed to by this House.

## SEAT OF GOVERNMENT.

Mr. GERRY gave notice that he should to-morrow bring forward a resolution to fix the permanent residence of Congress somewhere on the eastern banks of the Delaware.

## DUTY ON SPIRITS.

In Committee of the whole on the bill for repealing, after the last day of — next, the duties heretofore laid on distilled spirits, &c.

Mr. GOODHUE moved to strike out the twelfth section which provides for an excise on spirits distilled in the United States. This motion occasioned considerable debate. The excise was opposed, as interfering with those funds of the particular States on which they depend for paying the interest of their State debts, which would be a most glaring act of injustice, unless those debts are assumed by the United States; others objected to the principle of excises altogether. The motion was finally negatived.

THURSDAY, June 10.

On motion, the following resolution was presented for consideration:

## SEAT OF GOVERNMENT.

*Resolved*, That when the two Houses shall adjourn to close the present session, the President of the Senate and Speaker of the House of Representatives do adjourn their respective Houses, to meet and hold their next session in the city of Philadelphia.

The Yeas and Nays being called for on the question of considering the resolution, they were taken as follows:

YEAS.—Messrs. Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Heister, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Scott, Seney, Sinnickson, Smith, of Maryland, Steele, Stone, Sumter, Vining, White, Williamson, Wynkoop.—32.

NAYS.—Messrs. Ames, Benson, Bloodworth, Boudinot, Burke, Floyd, Foster, Gerry, Goodhue, Grout, Hathorn, Huger, Huntington, Jackson, Lawrence, Leonard, Livermore, Partridge, Van Rensselaer, Schureman, Sedgwick, Sherman, Sylvester, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—29.

The motion being before the House for a decision, a motion was made that the same should be committed to a Committee of the whole, and that the proposition moved yesterday by Mr. GERRY, should, at the same time, be referred to the Committee, with instructions that they

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*Distilled Spirits.*

[JUNE 11, 1790.]

examine into the question relative to a place for fixing the permanent seat of Government.

This motion for commitment also gave rise to considerable debate about the usual time of adjournment.

A motion was made to adjourn; on this motion the House divided—ayes 29, noes 28. The SPEAKER declared himself in favor of the minority. The House was then equally divided, and the motion in consequence lost.

The question being at length put for commitment, it was negatived—yeas 28, nays 33.

YEAS.—Messrs. Ames, Benson, Boudinot, Burke, Floyd, Foster, Gerry, Goodhue, Grout, Hathorn, Huger, Huntington, Lawrence, Leonard, Livermore, Partridge, Van Rensselaer, Schureman, Sedgwick, Sherman, Sylvester, Smith, of Maryland, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—28.

NAYS.—Messrs. Ashe, Baldwin, Brown, Bloodworth, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Seney, Sinnerickson, Steele, Stone, Sumter, Vining, White, Williamson, Wynkoop.—33.

A motion was again made for an adjournment; the House divided—ayes 30, nays 31.

Mr. BLOODWORTH then moved that Philadelphia should be struck out of the resolution, and Baltimore inserted.

After some debate on this motion, another motion was made to adjourn, and carried.

This debate was supported by arguments and observations similar to those stated in a former paper; but greatly enlarged on this occasion. Those in favor of determining on the temporary residence, or an adjournment to Philadelphia, urged its greater centrality than New York; the injustice done to the Southern States in holding the sessions in so uncentral a situation; the uneasiness of the people on this account; the present temper of the House; the tendency of the question to irritate and inflame; the interruption of the public business, and the influence the subject might be supposed to have in determining great national questions; that the determination of a very great majority of the House had been overruled in an unprecedented and extraordinary manner by the Senate; the House ought in justice to themselves, and to their constituents, who were greatly interested in the issue of the question, to insist on their former vote, &c. From these considerations the advocates for Mr. PARKER's motion urged an ultimate decision on the question.

In reply, it was observed, that the question is of a mere local nature, which ought not to be brought forward at the present moment, to interrupt the great and important national business before the House; that the people were anxiously waiting for a completion of this business; that they would view with concern and disgust the men whom they had appointed to transact affairs of the greatest moment, agitat-

ed, irritated, and wasting time in discussing a question of, confessedly, a local nature; that though the resolution had been once carried by a large majority in the House, it was negatived in the Senate; and there was no prospect of a different decision; that if Philadelphia was agreed upon as the place to which Congress should adjourn, it must appear from a most cursory view of the state of representation, that it would be extremely difficult ever to effect a removal to a more central situation, and no one pretended that it was the most eligible place for a permanent residence. It was further said, that in order to remove all cause of further uneasiness on this subject, it was become necessary to determine the permanent seat of Government. On this last idea many observations were made, and the eligibility of the measure urged with great zeal. The motion to take up Mr. PARKER's resolution being carried,

Mr. SEDGWICK, after a number of observations, moved that the resolution now before the House should be referred to a Committee of the whole, and that that Committee be instructed to take into consideration the motion of Mr. GERRY laid on the table yesterday, for fixing the permanent seat of Government on the banks of the Delaware.

Mr. CARROLL observed, that when the subject was originally brought before the House, it was moved to take up the permanent residence; that motion was then rejected; why, then, should we waste time on a subject which has already been determined? If gentlemen are sincere who profess to be concerned about the other public business, they certainly will not go into a Committee of the whole, as now proposed.

Mr. AMES rose and declared; that he, as well as those with whom he acted, were sincere in their professions when they wished to bring forward the permanent residence; he thought it of the utmost importance that the subject should receive a final determination. This motion, as before stated, was negatived.

FRIDAY, June 11.

DISTILLED SPIRITS.

On motion, that the House resolve itself into a Committee of the whole on the bill for repealing, after the last day of — next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead, and also upon spirits distilled within the United States, as well as to discourage the excessive use of these spirits and promote agriculture, as to provide for the support of the public credit, and for the common defence and welfare.

The Yeas and Nays being called for, were:

YEAS.—Messrs. Ames, Boudinot, Benson, Burke, Foster, Floyd, Gerry, Goodhue, Hathorn, Huntington, Huger, Jackson, Lawrence, Leonard, Livermore, Rensselaer, Sedgwick, Sherman, Sturges, Sylvester, Schureman, Smith, of Maryland, Smith, of S. C., Trumbull, Thatcher, Wadsworth.—26.

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**YAYS.**—Messrs. Ashe, Baldwin, Brown, Bloodworth, Carroll, Cadwalader, Contee, Clymer, Coles, Fitzsimons, Gale, Griffin, Gilman, Grout, Hartley, Heister, Madison, Moore, P. Muhlenberg, Matthews, Page, Parker, Seney, Steele, Scott, Sinnickson, Stone, Vining, Williamson, Wynkoop, White.—31.

On motion of Mr. HARTLEY, the House took up the resolution for holding the next session of Congress at Philadelphia.

Mr. BLOODWORTH withdrew his motion for striking out Philadelphia and inserting Baltimore.

Mr. BURKE renewed the motion for Baltimore.

The question for striking out Philadelphia and inserting Baltimore, after some debate, was determined by yeas and nays as follows:

**YEAS.**—Messrs. Ames, Benson, Bloodworth, Burke, Floyd, Foster, Gerry, Goodhue, Grout, Hathorn, Huger, Huntington, Jackson, Lawrence, Leonard, Livermore, Partridge, Rensselaer, Sedgwick, Seney, Sherman, Sylvester, Smith, of Maryland, Smith, of S. C., Stone, Sturges, Sumter, Thatcher, Trumbull, Tucker, Wadsworth.—31.

**NAYS.**—Messrs. Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Heister, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Scott, Sinnickson, Steele, Vining, White, Williamson, Wynkoop.—28.

On the question on the main resolution as amended by the insertion of Baltimore, the yeas and nays were as follows:

**YEAS.**—Messrs. Ames, Ashe, Baldwin, Benson, Bloodworth, Brown, Burke, Cadwalader, Carroll, Clymer, Coles, Contee, Floyd, Foster, Gale, Gerry, Goodhue, Griffin, Grout, Hartley, Hathorn, Heister, Huger, Huntington, Jackson, Lawrence, Leonard, Livermore, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Partridge, Rensselaer, Scott, Sedgwick, Seney, Sherman, Sylvester, Sinnickson, Smith, of Md., Smith, of S. C., Steele, Stone, Sturges, Sumter, Thatcher, Trumbull, Vining, Wadsworth, White.—53.

**NAYS.**—Messrs. Fitzsimons, Gilman, Schureman, Tucker, Williamson, Wynkoop.—6.

#### NORTH CAROLINA.

A message was received from the President of the United States with a copy of the ratification of the amendments to the Constitution, by the State of North Carolina.

#### DUTY ON SPIRITS.

In Committee of the whole on the bill for repealing, after the last day of —, the duties heretofore laid on distilled spirits of foreign manufacture, and laying others in their stead.

The committee proceeded as far as the 47th section of the bill; they then rose, and the Chairman reported progress.

MONDAY, June 14.

#### DISTILLED SPIRITS.

The House again went into a Committee of the whole on the bill for repealing certain du-

ties heretofore laid on spirits of foreign manufacture, and for laying others in their stead, Mr. SENEY in the chair.

The committee proceeded in the discussion of the bill, and finished it; they then rose, and the Chairman reported the same to the House, with sundry amendments.

Mr. SEDGWICK made some objections to entering into a consideration of the amendments proposed to this bill. He wished that the question of assumption should be first decided upon.

Mr. SHERMAN was in favor of finishing the bill at this time. He wished and expected that the assumption would be taken up before the close of the session; and said, it may be made the subject of a separate bill.

Mr. BLOODWORTH offered several objections to the bill.

Mr. MADISON was in favor of finishing it.

Mr. FITZSIMONS observed, that the gentlemen who are for delaying the passage of this bill, do not explicitly object to the mode pointed out for raising the additional revenue; they do not say, that if this plan is rejected, they will agree to substitute other objects of revenue; so that those who are in favor of providing the ways and means to carry into effect the funding system are embarrassed how to proceed. If the gentlemen will be explicit, and declare that if the proposed duties are not taken by the General Government, they will point out and agree to others, we shall know what to do; but, at present, it is utterly impossible to determine, from their mode of procedure, what their object is.

Mr. SEDGWICK replied to Mr. FITZSIMONS. He said, for his own part, he had always aimed to be open and explicit on this subject; and that he was now ready to declare, that, on the principle of not assuming the State debts, the duties contemplated by the bill would be impolitic and unjust; they will operate in a most inauspicious manner, both with respect to the creditors of the States, the tranquillity of the State Governments, and the peace and honor of the General Government. This had been, he said, the invariable tenor of his observations on this subject, from the first to the last.

Mr. STONE read a statement which he had prepared, containing several duties on imposts and tonnage, in addition to those already laid, and some new ones, which he supposed might be substituted in lieu of the excise proposed in the bill, to which he was opposed.

Mr. GERRY was opposed to proceeding in the consideration of the bill. He wished it might lie for a few days, till the House could possess themselves of the opinion of the Senate, whom, he had been informed, now had the subject of assumption under consideration.

Mr. FITZSIMONS replied to Mr. GERRY. He thought it a very extraordinary proposition that the House should wait for the determination of the Senate upon any subject, more especially a question of this kind; besides, he very much doubted the right of the Senate to originate any

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thing on the business of the assumption; but we are not to decide hastily, said he, because a majority may determine differently from what some gentlemen appear to wish should take place. I would ask, said he, how this Legislature is ever to go on with the important business before them, except they are to abide by the decision of the majority. Some gentlemen appear to be opposed to the principle of the bill; others are opposed to all duties except the State debts are assumed. Let us reflect on our situation, provided no provision is to be made for the domestic debt of the United States. He hoped the consideration of the bill would be delayed no longer.

MR. GERRY replied to Mr. FITZSIMONS. He contended that the Senate had a right to originate the business of the assumption, and that it had been customary for that House to wait for the decision of the Senate, when they had been informed that they were on a subject which the House had contemplated taking up; he declared, that no man realized more than he did the importance of funding the public debts; but then he wished the system to be commensurate to the object; to be impartial, liberal, and just:

On the question to take up the report of the Committee, Mr. VINING moved for the Yeas and Nays, which being called, were as follows:

YEAS.—Messrs. Ashe, Baldwin, Brown, Cadwalader, Clymer, Contee, Fitzsimons, Floyd, Foster, Gale, Gilman, Griffin, Hartley, Heister, Jackson, Livermore, Madison, Matthews, Moore, Schureman, Seney, Sherman, Sinnickson, Smith, of Md., Stone, Sumter, Vining, White, Wynkoop, Williamson.—30.

NAYS.—Messrs. Ames, Bloodworth, Boudinot, Burke, Coles, Gerry, Goodhue, Grout, Huger, Lawrence, Leonard, Page, Partridge, Parker, Rensselaer, Sedgwick, Sylvester, Smith, of S. C., Steele, Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—24.

The House then took up the amendments proposed, and agreed to the same. Other amendments were made.

The clause which imposes a duty on stills was objected to by several gentlemen, and after some conversation on the subject, it was agreed that the bill should lie on the table.

MR. FITZSIMONS laid the following resolution on the table, viz:

*Resolved*, That from and after the last day of — next, the duties heretofore laid on teas and coffee shall cease, and that the following be laid in their stead, viz:

On Bohea tea, 12 cents per lb.  
 Souchong and other black teas, 20 cents.  
 Hyson tea, 40 cents.  
 Other green teas, 24 cents.  
 Coffee, 5 cents.

#### GENERAL POST-OFFICE.

The House then went into a Committee on the bill to establish the Post-Office and Post-Roads within the United States, Mr. BOUDINOT

in the chair. Some progress was made in the bill; but the Committee rose and had leave to sit again.

A message from the Senate informed the House that they have passed the act for extending the Judicial law of the United States to the State of Rhode Island, with one amendment, which was to reduce the salary of the District Judge from one thousand to eight hundred dollars. This amendment was agreed to.

TUESDAY, June 15.

WEST POINT.

MR. LAWRENCE, from the committee appointed for the purpose, presented a bill authorizing and empowering the President of United States to purchase such a part of the tract of land at West Point as the public service may render necessary, which was twice read and committed.

#### GENERAL POST-OFFICE.

The House again went into a Committee on the bill to establish the Post-Office and Post-Roads within the United States, Mr. BOUDINOT in the chair.

The section which prohibits passengers from carrying letters, under a penalty of three times the postage, was objected to, as impracticable in itself. It was moved that it should be expunged.

MR. LIVERMORE, who was one of the committee, observed, that this section was introduced to prevent the diminution of the revenue from the Post-Office. The mail is now carried in stage coaches, in which there are generally several passengers, sometimes as many as six, and it is supposed that many more letters go by the passengers than by the mail; it is to be supposed that most persons would wish to be excused from the trouble of carrying these letters, and if this section passes, they will be furnished with an excuse for not taking them; and it appears very unreasonable and absurd that the public should pay the proprietors of the stages for transporting the mail, and in this way be defrauded out of that revenue which they are undoubtedly entitled to receive.

MR. WHITE and MR. GERRY were in favor of striking out the clause. MR. SEDGWICK and MR. SHERMAN in favor of it as in the bill.

The motion for striking out was negatived.

The committee proceeded as far as the 21st section, and then rose and reported progress.

WEDNESDAY, June 16.

JOHN SEVIER, another member from North Carolina, appeared and took his seat.

A message from the President of the United States was received with the ratification of the Constitution of the United States, by the State of Rhode Island.

#### GENERAL POST-OFFICE.

The House again resolved itself into a Committee on the bill to establish the Post-Office and Post-Roads, Mr. BOUDINOT in the chair.

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*Duty on Spirits.*

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Sundry other amendments were made to the bill, which being gone through, the Committee reported to the House.

The House took the amendments into consideration.

The first amendment respected the particular routes to the various parts of the United States, by which the mail is to be carried. Several alterations were made in two sections, on motion of individual members.

Mr. SEDGWICK observed, that it was impossible for every particular member perfectly to understand the reasons on which a variety of alterations had been agreed to. He instanced the establishment of roads to several places, which run nearly parallel. Gentlemen, said he, who move for different establishments, may fully understand themselves in the motions they make; but, for his own part, he confessed, that he could give as good a reason for his negative as his affirmative, on several that have been adopted. He therefore moved that the two first clauses should be struck out, and offered a clause as a substitute, which was to authorize the Postmaster-General, with the approbation of the President of the United States, to establish the Post-Roads from Wiscasset in Massachusetts, to Savannah in Georgia.

This motion was objected to by Mr. HARTLEY, Mr. LIVERMORE, Mr. WHITE, and Mr. GERRY. It was observed, that a similar clause had been rejected by the Committee of the whole, when the first bill was before them. It was further said, that it cannot be supposed that the Postmaster-General knows what routes are most eligible, better than many of the members; the constitutionality of the motion was doubted. Those in favor of the motion stated the difficulties which would probably arise upon the present plan; if a road is established which is found on trial to be improper, it will be difficult to alter it; and at any rate it cannot be done without an act of the Legislature.

In reply to the objection of the unconstitutionality of the motion, it was said, the motion goes no further than delegating a power to an executive officer, consonant to the office which he sustains, instead of the House attempting to exercise that power, when it does not appear that it can be exercised by them; besides, if the discretionary power is unconstitutional, there are several other parts of the bill which are unconstitutional; for the power of establishing such extra roads as to him may appear necessary, is vested in the Postmaster-General. If the House mean to avoid a great deal of unnecessary business, which will probably come before them in petitions to abolish old roads, and establish new ones, the proposition appears necessary.

The motion was negatived by a great majority.

The amendment of the first and second sections were agreed to. Several new roads were proposed to be added; when Mr. BOUDINOT observed, that he plainly perceived it would be necessary to vest some discretionary power in

the Postmaster-General, relative to this particular object; for he very much apprehended that the roads already agreed to would render the Post-Office a great burden on the United States. These observations were followed by a motion for an adjournment, which took place.

THURSDAY, June 17.

WEST POINT.

The engrossed bill to authorize the purchase of a tract of land for the use of the United States was read the third time and passed.

FEES OF CONSULS.

Mr. GERRY moved the appointment of a committee to consider and report whether any, and what, fees, perquisites, or other emoluments, shall be annexed to the office of Consul and Vice-Consul; and Messrs. GERRY, BOUDINOT, and HUNTINGTON, were named as the committee.

U. STATES AND INDIVIDUAL STATES.

Mr. FITZSIMONS, from the committee to whom was committed the engrossed bill to provide for the settlement of the accounts between the United States and the individual States, reported an amendatory bill, which was twice read and committed.

GENERAL POST-OFFICE.

The House resumed the consideration of the report of the Committee of the whole on the bill to establish the Post-Office and Post-Roads, which being gone through, the bill was ordered to be engrossed for a third reading.

FRIDAY, June 18.

DUTY ON SPIRITS.

On motion of Mr. FITZSIMONS, the House resumed the consideration of the bill for repealing certain duties heretofore laid on foreign spirits imported, and substituting others in their stead.

The question was on engrossing the bill for a third reading.

Mr. STONE moved for a recommitment to a select committee, who were to be instructed to report a plan of ways and means, agreeable to a resolution laid on the table a few days since.

This motion was negatived.

Mr. FITZSIMONS proposed a clause enabling the proprietor, importer, or consignee, to make a deposit of part of the dutied articles as a security for the duties in lieu of additional bonds. This was agreed to.

Mr. BARKER moved that the bill should be referred to the Secretary of the Treasury, with instructions to report a system of ways and means, exclusive of an excise. Mr. P. observed, that he should think himself obliged to vote against the bill in its present form; but if the excise is disposed of, he would give to a bill providing the ways and means all the support in his power.

This motion was seconded by Mr. BLOODWORTH, but after some debate was negatived.

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United States and Individual States.

[JUNE 21, 1790.]

A motion made by Mr. GERRY for striking out the two sections which provide for laying an excise, occasioned considerable debate, and was finally determined by yeas and nays, as follows:

YEAS.—Messrs. Burke, Coles, Gerry, Goodhue, Griffin, Grout, Huger, Heister, Moore, Muhlenberg, Page, Parker, Sedgwick, Smith, of S. C., Steele, Sumter, Thatcher, Tucker, White.—19.

NAYS.—Messrs. Ames, Ashe, Baldwin, Benson, Bloodworth, Boudinot, Brown, Cadwalader, Carroll, Contee, Fitzsimons, Floyd, Foster, Gale, Gilman, Hartley, Hathorn, Huntington, Jackson, Lawrence, Leonard, Livermore, Matthews, Rensselaer, Scott, Seney, Sevier, Sherman, Sylvester, Sinnickson, Stone, Trumbull, Wadsworth, Wynkoop, Williamson.—35.

Sundry other amendments were proposed, some of which were adopted, others negatived. It being late, the question for engrossing was not put, and the House adjourned.

MONDAY, June 21.

POST-OFFICE BILL.

The engrossed bill to establish the Post-Office and Post-Roads within the United States was read the third time and passed.

ADJOURNMENT.

A message from the Senate informed the House that they have concurred in the resolution of this House for appointing a joint committee to determine upon a proper time for adjournment.

DUTIES ON SPIRITS.

The House resumed the consideration of the bill for repealing certain duties heretofore laid on foreign spirits imported, and substituting others in their stead.

The question being on engrossing the bill:

Mr. STONE observed, that no man could be more in favor of making provision for the debt of the United States than himself; but the present bill pointed out a mode which he conceived to be the worst that could be devised; the most exceptionable, and would turn out the most unproductive. He should therefore vote against the bill, on a full conviction that other funds, entirely unexceptionable, might be found, and which might be contained perhaps in a quarter of a sheet of paper. He said he should call for the yeas and nays.

Mr. CARROLL observed, that as so much time had been taken up in maturing the bill, he hoped that it would be ordered to be engrossed; the business is of very great importance, and ought now to be finished. He wished, therefore, that the yeas and nays might not be called in the present stage of the bill, as it would not, he conceived, answer the purpose intended by the gentleman.

Mr. STONE withdrew his motion.

Mr. BLOODWORTH renewed the motion, but afterwards he withdrew it.

Mr. PAGE said, he hoped the yeas and nays would be called.

Mr. JACKSON was also in favor of coming to an ultimate decision on the bill.

Mr. GERRY said, if there is a majority of the House who are determined to reject the bill, he could not see of what use it was to have it engrossed.

Mr. FITZSIMONS said, he had observed, that if this bill should be rejected, there would be great difficulty in finding other resources. He wished that the House would now decide upon it.

Mr. VINING spoke in favor of the bill, and was for trying the strength of the House on the question, and in that view was in favor of calling the yeas and nays.

The question on engrossing the bill was determined in the negative, as follows:

YEAS.—Messrs. Brown, Cadwalader, Carroll, Contee, Fitzsimons, Floyd, Foster, Gale, Gilman, Griffin, Hartley, Heister, Lee, Livermore, Madison, P. Muhlenberg, Seney, Sherman, Sinnickson, Smith, of Md., Vining, White, Williamson.—23.

NAYS.—Messrs. Ames, Ashe, Baldwin, Benson, Bloodworth, Burke, Coles, Gerry, Goodhue, Grout, Hathorn, Huger, Huntington, Jackson, Lawrence, Leonard, Matthews, Moore, Page, Parker, Partridge, Rensselaer, Scott, Sedgwick, Sylvester, Smith, of S. C., Sevier, Steele, Stone, Sturges, Sumter, Thatcher, Trumbull, Tucker, Wadsworth.—35.

By this vote, the bill, of course, was lost.

On motion of Mr. FITZSIMONS, a committee was appointed to devise a plan for payment of the interest on the debt of the United States.—Messrs. FITZSIMONS, MADISON, SEDGWICK, SHERMAN, and TUCKER, were named as the committee.

UNITED STATES AND INDIVIDUAL STATES.

The House then again went into a Committee on the bill to provide for the settlement of the accounts between the United States and the individual States, Mr. SENEY in the chair.

Mr. FOSTER moved that the provision for two additional commissioners should be struck out.

Mr. LAWRENCE objected to the motion. He observed, that very extensive powers were given to these commissioners; the objects on which they are to decide are of the utmost importance; and he thought that five commissioners would give more satisfaction to the people than three.

Mr. LIVERMORE was in favor of the motion. He thought the business would be procrastinated in proportion to the number. Three have been thought sufficient; nothing new has been offered to show that any more are necessary. If the number were increased to sixty, he thought it would only embarrass the more; he considered the addition as an indirect impeachment of the gentlemen now in office; he had never heard any fault found with them; he believed they were competent to the business. If we make the addition, what has been done may all be lost labor. If three would finish the business in three years, he had no doubt that five would take five years.

Mr. WILLIAMSON said, he differed from the



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*Indian Tribes.*

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gentleman last up in respect to the addition to the board being an impeachment or imputation on the gentlemen now in office. The powers proposed to be vested are much more extensive than those by the former bill, which renders it expedient that the number should be increased, that more accurate information from various parts of the Union may be collected. He said, he had the highest opinion of the present commissioners; they were gentlemen whose abilities were undoubtedly respectable; but he could not conceive that their abilities or importance would be lessened or depreciated by the proposed addition.

Mr. LIVERMORE made some reply to Mr. WILLIAMSON.

The motion for striking out was negatived.

On motion of Mr. SHERMAN, the sixth section was amended to read thus:

"That the States who shall have balances placed to their credit on the books of the Treasury of the United States, shall within ——— after the same shall have been credited, be entitled to have them funded upon the same terms as the other debts of the United States."

Mr. SMITH, of South Carolina, moved that the clause which deprives the States of the power of transferring the debts due to them from the United States should be struck out. He observed, that he could see no reason for the prohibition; it appears absurd that a State should not have it in its power to transfer its demands against the United States to its creditors. He wished that gentlemen would assign the reasons for the clause.

Mr. SEDGWICK said, he would give the reason; it was to prevent increasing the demands against the United States, in the hands of foreigners; this was a desirable object, and ought to be attended to as far as possible. In respect to the domestic debt, it was to be lamented that so much of it was in the hands of foreigners. This, however, could not be prevented; but with respect to the present case, it may be done without any injury whatever; and, therefore, we ought to extend the prohibition as far as we can consistent with justice.

Mr. SHERMAN spoke against the motion.

Mr. SMITH supported his motion. He showed the inconvenience and expense that would attend the double operation of the States' first receiving their interest, and then paying it to their creditors. He further observed, that it was treating the States like children; individuals may transfer their demands, but the States are not so to be trusted. He added other remarks, when the question being taken the motion was lost.

Mr. SEDGWICK then moved that the clause be amended to read—"and no debt due to any particular State shall be transferable." This was agreed to.

The clause which provides for paying the clerks \$500 from the time of their appointment was amended by striking out the last words—"from the time of their appointment."

The Committee rose and reported the bill with the amendments.

The House took up the bill. The amendment respecting the clerks was objected to by Mr. SENY; it was, however, agreed to by the House.

Mr. JACKSON moved that the clause determining the rule of apportionment, in the following words—"The rule for apportioning to the States the expenses of the war, shall be the same that is prescribed by the Constitution of the United States for the apportionment of representation and direct taxes, and according to the first enumeration that shall be made," should be struck out; and called for the yeas and-nays, which were as follows:

YEAS.—Messrs. Ashe, Baldwin, Floyd, Foster, Gilman, Hathorn, Jackson, Lawrence, Livermore, Sedgwick.—10.

NAYS.—Messrs. Ames, Benson, Bloodworth, Boudinot, Brown, Burke, Cadwalader, Carroll, Coles, Contee, Fitzsimons, Gale, Goodhue, Griffin, Grout, Heister, Huger, Huntington, Leonard, Madison, Muhlenberg, Moore, Page, Partridge, Rensselaer, Schureman, Scott, Seney, Sherman, Sylvester, Sinnenickson, Smith, of Maryland, Smith, of South Carolina, Sevier, Steele, Stone, Sturges, Sumter, Thatcher, Trumbull, Tucker, Vining, Wadsworth, White, Williamson.—45.

A clause was proposed by Mr. TUCKER, for "continuing the salaries of the commissioners to the ——— day of ——— although the accounts should be settled prior to that period." The first part was agreed to; from the word "although" to the end was negatived.

A motion was made by Mr. STEELE to amend the clause which respects the claims of the States, to strike out the word "was" before the word *exhibited*, and to insert the words "shall be." This motion was negatived. The bill was then ordered to be engrossed for a third reading to-morrow.

TUESDAY, June 22.

The engrossed bill to provide for the settlement of the accounts between the United States and the individual States was read the third time, and passed.

Mr. GOODHUE, from the Committee appointed for the purpose, presented a bill imposing duties on the tonnage of ships or vessels, which was twice read, and committed.

Mr. WILLIAMSON, from the Committee to whom was recommitted the bill for giving effect to the act providing for the enumeration of the inhabitants of the United States, in respect to the State of Rhode Island, reported sundry amendments, which were laid on the table.

INDIAN TRIBES.

The House resolved itself into a Committee of the whole on the bill to regulate intercourse with the Indian tribes, Mr. BOUDINOT in the Chair. The Committee proposed several amendments to the bill, which were reported to the House, and agreed to.

Mr. SHERMAN then moved that the fourth

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section should be struck out of the bill; viz. "That a sum not exceeding ——— thousand dollars, be appropriated out of the moneys arising from duties on imports and tonnage, subject to the orders of the President of the United States, to be laid out in goods and articles of trade suitable for supplying the wants and necessities of the Indians, and to be vended and retailed to them, through the agency of the said Superintendents, and persons to be licensed by them for that purpose, in such manner, and conformably to such regulations, as the President of the United States shall establish."

On this motion Mr. JACKSON called for the ayes and nays, which are as follows:

**AYES.**—Messrs. Ashe, Bloodworth, Coles, Floyd, Foster, Gerry, Goodhue, Hathorn, Heister, Huger, Huntington, Jackson, Leonard, Livermore, Parker, Rensselaer, Schureman, Sedgwick, Seney, Sevier, Sherman, Sylvester, Stone, Sturges, Sumter, Tucker.—26.

**NAYS.**—Messrs. Ames, Baldwin, Benson, Boudinot, Brown, Cadwalader, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Lawrence, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Scott, Sinnickson, Smith, (of Maryland,) Smith, (of South Carolina,) Steele, Trumbull, Wadsworth, White.—27.

On motion of Mr. STEELE, a clause was added, limiting the duration of the bill to two years.

It was then ordered that the bill be engrossed.—Adjourned.

WEDNESDAY, June 23.

INDIAN TRIBES.

The engrossed bill to regulate trade and intercourse with the Indian tribes was read the third time, and passed.

The petition of Elias Hasket Derby was presented, praying relief in the payment of duties on a case of teas.—Referred.

CONGRESS LIBRARY.

Mr. GERRY, from the Committee appointed for the purpose, reported a catalogue of books necessary for the use of Congress; which report was ordered to lie on the table.

FOREIGN INTERCOURSE.

A message from the Senate informed the House that they recede, in part, from their amendment, disagreed to by this House, to the bill providing the means of intercourse between the United States and foreign nations, and have agreed to a further amendment to the said bill, to which they require the concurrence of this House.

TONNAGE DUTY.

The House then resolved itself into a Committee of the whole, on the bill imposing duties on the tonnage of ships or vessels, Mr. BODINOT in the chair.

On motion of Mr. VINING, the second section was amended, so as to exempt vessels belonging to citizens of the United States from paying tonnage in a port on the sea-coast, or a

navigable river, adjoining the State from whence they came. The committee having gone through the bill, rose and reported the same. The bill was then ordered to be engrossed.

THURSDAY, June 24.

TONNAGE DUTY.

The engrossed bill imposing duties on the tonnage of ships or vessels was read the third time, and passed.

FOREIGN INTERCOURSE.

Mr. GERRY, from the managers appointed on the part of this House to attend the conference with the Senate on the subject-matter of the amendments depending between the two Houses to the bill entitled "An act providing the means of intercourse between the United States and Foreign Nations," made a report, which was read, and ordered to lie on the table.

OFFICERS OF THE NAVY.

On motion of Mr. HARTLEY, the report of the Committee on the memorial of the Officers of the Navy was taken into consideration by the Committee of the whole: the report is as follows:

The Committee report, that they do not find any reason sufficient to justify the difference that has been made in the compensation of the officers of the army and of the navy of the United States, and are, therefore, of opinion, that a law ought to pass for granting five years' pay, equal to the commutation of half-pay, and also a bounty of land to the officers of the navy, upon the same principles, and in the same manner, as has been granted to the officers of the army of the United States.

Mr. SHERMAN observed, that, by the memorial and the report, it appears that the memorialists do not pretend to have any claim on the public by virtue of any existing resolutions of Congress. The subject is very fully before the committee; it lies with Congress, therefore, to determine what is proper to be done in such circumstances. The application stands entirely on the basis of its own merits, and he could conceive of no difficulty in deciding on it.

Mr. STONE observed, that it is true there is no claim by virtue of any antecedent contract or promise; nor was commutation, he believed, promised to the officers of the army. In this view, the officers of the navy stand exactly upon the same footing with those of the army. He then entered into a consideration of the merits, services, and sufferings of the officers of the navy; and from these, and other considerations, urged the justice of their claims, as he could see no reason for the difference that had been made.

Mr. HUNTINGTON said, but a little consideration was necessary to recollect the reason of the difference between the officers of the navy and army. The officers of the army were first in the public service; the navy was not formed until some time after hostilities commenced. The officers of the navy were put on the same footing, in respect to pay, as the army; the for-

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mer had some advantages in point of rank, and they were entitled to a part of their captures. He then gave an account of the origin of commutation—which was granted on account of the peculiar exigencies of affairs at that time. During the time this business was in agitation, there were very few navy officers in the public service, and no application was made by them for half-pay or commutation. They were ashore, and many of them had retired to civil life. The reason, therefore, why they were not included in the commutation was, there did not appear at the time any necessity for the measure, as the United States did not then want a navy; whereas the public exigencies with respect to the army were such as rendered the resolution for the commutation to them absolutely necessary. He, however, thought the claim of the navy officers founded on justice; and justice, said he, is the strongest plea that can be urged in support of any demand whatever.

Mr. HARTLEY supported the memorial. He gave the officers great credit for their bravery, services, and attachment to the cause of their country. He dilated on the hardships and sufferings they endured; he adverted to the advantages they derived from captures, which he stated to be very inconsiderable. Their claims, said he, appear to me to be founded on the strictest and most impartial justice; he hoped, therefore, that the report would be accepted, and a committee appointed to bring in a bill accordingly.

Mr. BALDWIN, who was one of the Select Committee which made the report, stated some of the reasons which influenced the committee; also the considerations which were supposed to have led to the distinction between the navy and army, in respect to commutation—one of which was, that the officers of the navy were in the line of their particular calling, and which they were enabled to pursue with perhaps greater advantages than they ever did before. Other circumstances were mentioned by him, tending to invalidate their claim.

Mr. SHERMAN observed, that if this report is adopted, it will open a very wide door indeed to applications for half-pay or commutation. He then gave a history of the origin of commutation or half-pay, which, he said, was considered at the time as a measure of necessity, and not of justice; and has been very much complained of by several of the States. The above necessity did not exist with respect to the officers of the navy, as, at the time, there were but two or three ships in service. From this state of facts, he inferred that no precedent could be drawn in favor of extending the commutation to the officers of the navy. He thought that their case was entitled to the consideration of the Legislature, on the principles of equity; he should, therefore, be for the committee's making full inquiry into the circumstances of the whole business, and making such provision as justice should point out; but he was against the report in its present latitude.

Mr. BURKE replied to the observations of Mr. BALDWIN, respecting the officers of the navy being in the way of their profession; and, from the nature of the service, he showed that there was little weight in the observation. Their circumstances were very much altered for the worse, and they were now left in a very destitute situation; whereas the officers of the army are enjoying posts and places of honor and profit. Their silence on the subject had been mentioned. He observed, that their dispersed situation had been the principal reason of their not coming forward with their petition before. Mr. B. observed, that the officers of the navy were not treated like other prisoners when they were taken; they suffered peculiarly, not as prisoners of war, but were treated like rebels, whose crimes were of the blackest nature.

Mr. SNEY said he was, and always had been, an advocate for the claims of the officers of the navy; he thought their memorial founded on the strictest justice. He introduced the representation to Congress of the "illustrious" Commander-in-chief of the late army, on the subject of half-pay and pensions, which he read. He then entered into a comparative view of the relative merits of the army and navy; and said it was well known that many of them made as great sacrifices as the other description of officers. With respect to prize money, he doubted whether they had ever been benefited by it. In some instances, where they had expected the most, they had, through the failure of agents, received only a certificate, worth about five shillings in the pound; and that received only for a part of what was due. He replied to the several objections which had been offered, and concluded by saying it would be unjust and impolitic not to grant their claims.

Mr. SEDGWICK observed, that no gentleman in the committee had deeper impressions made upon him, by the grateful recollection of the merits and services of those brave men to whom America owed its freedom, than himself. Yet, under the present circumstances of the country, he thought it a duty he owed the people who had confided their interest to his management, to examine, on principle, the demands which were made upon the Government for pecuniary grants. The applicants, in the present instance, did not place their demand on the ground of contract. For the contract under which the services had been rendered, had been complied with according to the specified terms, and performed to the extent of the powers of the Government, in the same manner as other claims of a similar nature had been satisfied. It was further, he said, to be noticed, that during the time those services were performing, no dissatisfaction had been manifested by the present memorialists. From these observations, then, it clearly followed, that, in point of contract the claims of the officers of the navy were in all respects similar to those of every other individual in the community, who had received satisfaction by the same means. It would then

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become gentlemen to reflect on the consequences which would result from the establishment of a precedent, which would go to the invalidation of all the final settlements which had been made.

Mr. SEPGWICK said, gentlemen had supported the claim of the applicants from a supposed analogy of their circumstances to those of the gentlemen of the army. He said there was the difference, which arose from the circumstance already mentioned. The commutation was founded in contract; the present claim was destitute of that support. There were also other material circumstances which very widely differed in the two cases. The officers of the army were called from pursuits by which they were enabled to support and provide for their families, and to abandon their prospects of establishment by the business to which they had been educated. On the other hand, the gentlemen of the navy were promised handsome wages for continuing in that business to which they had been educated, and for which they were best, if not only qualified; and this, too, at a time when, by the destruction of our commerce, many of them otherwise must have wanted employment. They had likewise additional encouragement from a participation in the avails of prizes, while the army derived no emolument from any such source. That the report of the Select Committee being unsupported either on the ground of contract or the principles on which the grant to the officers of the army was made, the application was merely to the generosity of the Government. He said it was a principle from which he professed himself determined never to depart, not to dissipate that property in idle or visionary projects of generosity, which is necessary to the performance of justice. That the arduous scenes in which we had been engaged, had imposed the necessity of practising a rigid economy. That the conduct which we might, under present embarrassments, pursue, it would be improper hereafter to consider as a precedent. That it would, indeed, be a noble and generous sentiment to compensate all those losses which our friends had sustained by the war. But he asked, if such would not be a vain attempt? Can we compensate all the desolation of fire and wanton depredation, provoked from the enemy by the patriotism of particular districts in this country? Can we retribute the sufferings which have been caused by the depreciation of our currency? Or the ruin of thousands and thousands by our delays of payment, and the consequent depreciation of our securities? Can we administer to the relief of the vast number of widows and orphans, who, from those circumstances, have been reduced from affluence to want and beggary. Remember, too, he said, the sages, who, in the hour of danger, watched over your security; and who, in their best days, abstracted themselves from every lucrative pursuit, and devoted all their time and talents to the service of their country. These patriots, now in the evening of life, are the most merito-

rious objects of the generosity of the Government, yet they would nobly disdain to ask, or to receive the aid of the Government, however necessary to them, until efficient provision was made for the performance of those contracts, which we are under the most solemn obligation, if in our power, to fulfil. And he concluded by observing, that when the improving resources of our country should enable the Government generously to compensate the sufferings of those several descriptions of persons, then, and not till then, might we extend to the memorialists the relief which they now sought for.

Mr. JACKSON supported the claim of the officers. He observed, that if the country had not derived so extensive advantages from the exertions of the navy, it must be imputed to peculiar circumstances, and not to any deficiency in the officers and sailors; so far as their abilities could be exerted, no men distinguished themselves more. Had ours been a maritime instead of an agricultural country, the importance of a navy would have struck us more forcibly. Their claims he considered as founded in the strictest justice, and he had no doubt that if they had applied to the old Congress, they would have granted their request; but restrained by a consideration of the embarrassments of the United States, they did not obtrude their petitions upon them; and now this very circumstance is urged as a reason for not granting their petition. In his opinion, this did them great honor; since that time, they have been scattered through all parts of the Union. This and other circumstances have delayed their application to this time, but has not lessened the equity of it. He added many other observations, and concluded by saying that he was fully in favor of the report.

Mr. GERRY was in favor of the report under certain conditions, which were, that the same be so constructed as to ascertain the amount of prize money received by the officers, and that the allowance should be extended only to such as continued in the public service to the end of the war. He adverted to the case of prizes, in which it had been said the officers had suffered through the frauds of their agents. If this is fact, it was a subject which called for redress; and, on principles of equity, an investigation ought to take place.

Several other gentlemen spoke on the occasion. Mr. PAGE, Mr. HARTLEY, and Mr. SENNEY in favor, and Mr. GOODHUE and Mr. SHERMAN against the report.

Mr. FITZSIMONS moving in the House that the report should be recommitted.

Mr. BOUDINOT said he was opposed to the recommitment, as he did not conceive that the relief proposed could be granted under this report. From the reasoning which he had heard on the subject this day, he was convinced that if the commutation is extended to the memorialists, Congress will have to extend it to above a thousand officers of different descriptions. It must be extended to the State officers in sever-

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al departments. He enlarged on the unpopularity of half-pay and commutation, and said, that if injustice had been done to the memorialists, every instance ought to be inquired into, and determined on its own merits. He was, therefore, in favor of rejecting the report, and still leaving the memorial open to an inquiry as to the particular cases which may require an investigation.

FRIDAY, JUNE 25.

## FOREIGN INTERCOURSE.

The House proceeded to consider the amendments last proposed on the part of the Senate to the bill providing the means of intercourse between the United States and foreign nations. The first amendment was to strike out thirty thousand, and to insert forty thousand dollars.

It was moved that the House should agree to this amendment; this motion was opposed.

It was said that the committee had exceeded their commission in proposing this alteration in the bill, as both Houses had agreed in the sum of 30,000 dollars. It was further said, that more than one Minister Plenipotentiary was unnecessary; that the Court of Great Britain had sent only a Consul to this country; and that, from the present appearances, no advantages could be expected to arise from sending a Minister equivalent to the expense; the necessity contended for is merely conjectural; and, by that rule, the Ministers Plenipotentiary may be increased, and one sent to Spain and another to Portugal. If only one Minister is sent to Europe, the first sum will be sufficient: with respect to the Court of London, a *Chargé des Affaires* will answer every purpose.

In support of the motion, it was urged that the President of the United is, by the Constitution, vested with the power of appointing such foreign officers as he may think necessary, and it must devolve upon the Legislature to make provision for defraying the expense. The Committee of Conference did not rely on their own judgment, they consulted the Secretary of Foreign Affairs. His opinion was, that in the present situation of this country with respect to foreign nations, two Ministers and two *Chargés des Affaires* were necessary; a Minister at the Court of Versailles is generally conceded to be requisite. The peculiar situation of this country with respect to the posts, the Northern and Eastern frontiers, and the state of our commerce in respect to Great Britain, can scarcely leave a doubt of the necessity and importance of sending a Minister to that country. This being the state of affairs, a less sum than that proposed, it is demonstrably evident, will not be found adequate.

The question on concurring in this amendment was carried in the affirmative.

The other amendments were agreed to, with amendments.

## GOVERNMENT OF SEAMEN.

The House proceeded also to consider the amendments reported by the Committee to

whom was committed the bill for the government and regulation of seamen in the merchants' service; which were agreed to, and the bill was ordered to be engrossed for a third reading.

## TRADE AND NAVIGATION.

The House resolved itself into a Committee of the whole on the bill concerning the trade and navigation of the United States, Mr. SENNEY in the chair.

This bill contains the discrimination in the duty on tonnage between vessels belonging to nations in treaty with the United States and those of nations with whom no treaty exists.

A motion to postpone the bill occasioned a lengthy debate, which was not determined at 3 o'clock, when a motion was made that the committee rise and ask leave to sit again. This was carried in the affirmative.

A message received from the Senate informed the House that they have concurred in the amendments proposed to the bill providing the means of intercourse between the United States and foreign nations.

The Speaker communicated a letter from Samuel Meredith, Esq. Treasurer of the United States, which enclosed the receipts and expenditures of the Treasury for the last quarter.

MONDAY, JUNE 28.

## SEAMEN.

The engrossed bill for the government and regulation of seamen in the merchant service, was read the third time and passed.

A memorial from Louis Pierre Lambert de la Neuville, Brigadier General of the late army of the United States, and Lieutenant Colonel in the service of His Most Christian Majesty, was presented, praying the liquidation and settlement of a claim for military services rendered during the late war. Ordered to lie on the table.

## ADJOURNMENT.

Mr. WADSWORTH, from the Joint Committee who were to consider and report the business necessary to be finished previous to an adjournment, also to report when it would be proper to adjourn, reported, that, in their opinion, the business necessary to be acted upon may be completed by the 15th day of July next, and that an adjournment of the present session should take place by that time. The report was laid on the table.

## RHODE ISLAND.

The proposed amendments to the bill for extending the enumeration law to the State of Rhode Island, were taken into consideration and agreed to. The bill was then ordered to be engrossed.

## VIRGINIA CLAIMS.

The House resolved itself into a Committee of the whole on the State of the Union, Mr. BOWDIN in the chair.

After some time the committee rose, and reported that the committee had, according to

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order, had the state of the Union under consideration, and come to a resolution thereupon; which was agreed to by the House, as follows:

*Resolved*, That the resolution of Congress of the seventeenth July, one thousand seven hundred and eighty-eight, respecting the lands reserved for the Virginia troops on Continental and State establishments, pursuant to the cession made by the said State to the United States of the territory northwest of the river Ohio, ought to be repealed.

*Ordered*, That the said resolution be referred to MESSRS. BROWN, BOUDINOT, WHITE, HUNTINGTON, and BENSON, with instruction to prepare and bring in a bill or bills for carrying into effect the reservations contained in the deed of cession made by the State of Virginia to the United States of the territory northwest of the river Ohio.

TUESDAY, June 29.

CENSUS.

The engrossed bill for giving effect to an act providing for the enumeration of the inhabitants of the United States, in respect to the State of Rhode Island and Providence Plantations, was read the third time and passed.

A message from the Senate informed the House that they have passed the bill to authorize the purchase of a tract of land for the use of the United States.

INTEREST OF PUBLIC DEBT.

Mr. FITZSIMONS, from the committee appointed for the purpose, reported a plan making provision for the payment of the interest on the debts of the United States; which was read and committed to a Committee of the whole.

INVALID PENSIONERS.

Mr. HEISTER, from the committee appointed for the purpose, presented a bill further to provide for the payment of the invalid pensioners of the United States; which was twice read and ordered to be engrossed for a third reading.

The House proceeded to consider the report of the committee to whom was referred the petition of Elias Hasket Derby; whereupon,

*Resolved*, That, for the duty on all teas which have been imported from China in the present year, or which shall be hereafter imported, it shall be at the option of the importer, either to deposit such teas with the officers of the customs where the same shall be entered, or to give bond therefor, with sureties, to the satisfaction of the officer, payable at the expiration of twelve months from the time of entry. *Provided*, That where the teas shall be deposited as aforesaid, they shall be kept at the risk and expense of the importer, who shall pay the duties thereon as the same shall be delivered: *And, Provided*, That, if the whole of the duties shall not be paid within eighteen months, the officer with whom such tea is deposited shall dispose of the same, or so much thereof, at public auction, as may be sufficient to pay the duties.

*Ordered*, That the said resolution be referred to the Committee appointed to prepare and bring in a bill or bills to amend the laws of revenue.

## TRADE AND NAVIGATION.

The House went again into a Committee on the bill concerning the trade and navigation of the United States, Mr. BOUDINOT in the chair.

This bill contained the discrimination in the duty on foreign tonnage; the first clause being rejected, the substance of the following propositions, moved by Mr. FITZSIMONS, was adopted in lieu thereof, viz.

That from and after the — day of — next, there shall be laid and collected on all ships and vessels not built, or registered in the United States, a duty of — per ton.

That on all ships or vessels arriving in any port of the United States, from places at which the United States are not permitted to trade, the sum of — per ton.

The remaining clauses of the bill being disagreed to, the committee rose and reported progress.

WEDNESDAY, June 30.

RHODE ISLAND.

A message was received from the President of the United States, with the copy of an act of the Legislature of the State of Rhode Island, for ratifying certain articles of amendment to the Constitution of the United States.

Mr. WILLIAMSON presented a memorial from Dr. Thomas Ruston, in behalf of the directors of a cotton manufactory in the State of Pennsylvania.

## TRADE AND NAVIGATION.

The House again resolved itself into a Committee of the whole on the bill concerning the trade and navigation of the United States; Mr. BOUDINOT in the chair.

Mr. MADISON entered into a discussion of the principles on which the trade and navigation of the United States ought to be regulated. The idea of discrimination in respect to foreigners, as proposed in the bill originally, having been disagreed to, however just and reasonable he thought that distinction to be, as there appeared to be a majority against it, he should waive any further arguments on the subject, and would suggest the principle of reciprocity as an idea which would meet the general approbation of the committee. He adduced several particulars to show that this reciprocity does not exist in our trade and intercourse with Great Britain; while our shipping is excluded from many of her ports, and admitted into others under such restrictions as are nearly tantamount to a prohibition, their shipping is freely admitted into all the ports, harbors, and bays of the United States.

He then read two propositions in the following words, which he proposed should be added as clauses to the bill, viz:

*And be it further enacted*, That in all cases where vessels belonging to the citizens of the United States may be prohibited from bringing any articles from any foreign port or place by laws or regulations of



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the sovereign thereof, into any port or place within the United States, the vessels belonging wholly or in part to the subjects of such sovereign, shall after the — day of — during the continuance of such prohibition, be prohibited from bringing like articles into the United States, on pain of being seized and forfeited to their use. And the masters or owners of all foreign vessels clearing from any port of the United States, with any articles, the growth, produce, or manufacture thereof, shall give bond with sufficient security, that no part of the said articles shall be delivered at any port or place to which vessels belonging to citizens of the United States may not be permitted to transport like articles from the United States.

*And be it further enacted,* That in all cases where vessels belonging to citizens of the United States may be prohibited by the laws or regulations of that foreign country from carrying thereto articles not the growth, produce, or manufacture of the United States, the vessels belonging wholly or in part to the subjects, citizens, or inhabitants of such country shall, after the — day of — and during the continuance of such prohibition, be prohibited in like manner from bringing any articles not the growth, produce, or manufacture of such country into the United States, on pain of being seized and forfeited to their use.

These propositions being considered as very interesting and important in their consequences, it was moved that the committee should rise, that the members might take time to consider them.

The motion for the committee's rising was opposed.

Mr. WADSWORTH asked, what reason could be assigned for the committee's rising? For his part, he was ready to meet the propositions. He believed he should vote for them. He considered them as calculated to try the strength of the committee. It is coming to the point; it is proposing a very bold measure indeed; but if it is thought we can stand the shock, I shall have no objection to try it. I hope the committee will proceed to discuss the propositions.

Mr. VINING observed, that he had no objection to taking up the subject; but as gentlemen appeared desirous of taking time to consider the propositions, he was in favor of the committee's rising. With respect to the "boldness" of the measure, he was at a loss to find the propriety of the epithet; for his part, he considered it as a measure of firmness, and as such highly becoming the National Legislature of this country to adopt.

Mr. SHERMAN observed that he saw nothing that favored of boldness in the propositions; they appeared to him to be natural, and nothing more than a proper assertion of the equal rights of this country. It is merely meeting with counter regulations the regulations of other countries that are hostile to our interests; this we have a right undoubtedly to do. I hope the committee will not rise, but discuss the subject, that the merits of the propositions may be fully known.

Mr. GOODHUE spoke generally in favor of the propositions, and against the committee's rising.

Mr. JACKSON was in favor of the committee's rising. The propositions he considered as very

extraordinary indeed; and if they should be adopted, they will annihilate in a great measure the trade of Georgia to the West Indies, and he believed of North Carolina too, notwithstanding what the gentleman from that State has said in the course of debate on this subject. He thought it extraordinary that the gentleman from Virginia should come forward with one exceptionable proposition after another; the gentleman having lost one favorite proposition, so tenacious is he of his object, that he now brings forward another, in my opinion, full as exceptionable.

The question being taken was carried in the affirmative; the committee rose, and reported the propositions, which are to be taken into consideration to-morrow.

#### INTEREST OF PUBLIC DEBT.

The House then went into a Committee of the whole on the report of the committee making provision for the payment of interest on the debts of the United States, Mr. BOUDINOT in the chair.

Some time was spent in the consideration of the plan reported by Mr. FITZSIMONS; but not coming to any decision, the committee reported progress, and had leave to sit again.

THURSDAY, July 1.

#### INVALID PENSIONERS.

The engrossed bill further to provide for the payment of the invalid pensioners of the United States was read the third time and passed.

The petition of John Fitch was presented, praying for an exclusive privilege to use steam for purposes of navigation in the United States for a limited time. Ordered to lie on the table.

#### MILITIA.

Mr. BOUDINOT, from the committee appointed for the purpose, presented a bill more effectually to provide for the national defence by establishing a uniform militia throughout the United States, which was twice read and committed.

#### FEES OF CONSULS.

Mr. GERRY, from the committee appointed to report whether any and what fees, &c. shall be annexed to the offices of consul and vice-consul, made a report, which was read and ordered to lie on the table.

#### CENSUS.

A message from the Senate informed the House, that they had passed the bill for giving effect to an act providing for the enumeration of the inhabitants of the United States, in respect to Rhode Island.

#### INTEREST OF PUBLIC DEBT.

The House again went into a committee on the report of a committee making provision for the payment of interest on the debts of the United States, Mr. BOUDINOT in the chair. The committee came to several resolutions, which they reported to the House. They were there read, and ordered to lie on the table.

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FRIDAY, July 2.

## SEAT OF GOVERNMENT.

A message from the Senate informed the House that they had passed a bill for establishing the temporary and permanent seat of the Government of the United States, to which they desire the concurrence of this House. The bill was twice read and committed.

## INTEREST OF PUBLIC DEBT.

The House proceeded to consider the Report of the Committee of the whole on the Report making provision for the payment of interest on the debts of the United States: Whereupon,

*Resolved*, That an addition of thirty-three and one-third cents be made to every dollar of duties now payable on goods, wares, and merchandises imported into the United States.

That, in addition to the foregoing, there be levied and collected upon the following articles:

	CENTS.
Distilled spirits - - - -	1 2-3 per gall.
Madeira wine - - - -	8
Other wines - - - -	5
Molasses - - - -	1-6
Bohea tea - - - -	2
Souchong and other Black teas - - - -	4 1-2
Hyson tea, - - - -	5 1-3
Other Green teas - - - -	4 2-3
Coffee - - - -	2-3
Brown sugar - - - -	1-6
Loaf sugar - - - -	1
All other sugars - - - -	1-2
Pepper - - - -	5
Pimento - - - -	3
Nutmegs - - - -	25
Mace - - - -	25
Cinnamon - - - -	20
Cloves - - - -	12 1-2
Cassia - - - -	10

*Resolved*, That, after the — day of —, the discount of ten per cent. of the duties on goods, wares, and merchandise, imported in ships or vessels, the property of a citizen or citizens of the United States, be discontinued, and that an addition of ten per cent. be made to the duties on goods, wares, or merchandise, imported in any other ship or vessel.

*Ordered*, That a bill or bills be brought in pursuant to the said resolutions; and that Mr. FITZSIMONS, Mr. TUCKER, and Mr. SHERMAN, do prepare and bring in the same.

## FEES OF CONSULS.

The House proceeded to consider the report of the committee appointed to consider and report whether any, and what, fees, perquisites, or other emoluments, shall be annexed to the offices of Consul and Vice Consul: Whereupon,

*Resolved*, That it shall and may be lawful for all Consuls and Vice Consuls of the United States, for every protest or deposition, relative to letters of attorney, goods, wares, and merchandise, bills of exchange, and other marine and mercantile affairs and transactions, with a certificate thereof, under their

hands and seals, respectively, to receive the sum of — dollars.

That citizens of the United States, appointed to reside in foreign ports and places, as Consuls or Vice Consuls of the United States, shall be enabled to own any ships or vessels in their own names, or in partnership with any other citizen of the United States, residing within the said States, and be entitled to all the privileges and advantages, in respect to such ships or vessels, as if such Consuls or Vice Consuls, respectively owning said ships or vessels, actually resided within any port or place within the United States.

*Ordered*, That a bill or bills be brought in pursuant to the said resolution; and that Mr. GERRY, Mr. BOUDINOT, Mr. HUNTINGTON, Mr. WADSWORTH, and Mr. GOODHUE, do prepare and bring in the same.

*Ordered*, That it be referred to the said committee, to report a provision,

“That, in foreign ports, where the laws of the Kingdom or State make it necessary that vessels should enter by the medium of a Consul, and where the laws of such Kingdom or State have determined that certain fees shall be paid to such Consuls, the Consul of the United States shall be authorized to receive such fees; and also to report what further provision may, in the opinion of the said committee, be necessary for Consuls and Vice Consuls of the United States.”

MONDAY, July 5.

Mr. LAWRENCE presented a petition from sundry persons confined for debt in the jail of the county and city of New York, praying that a general bankrupt law may be passed by Congress.

*Ordered*, To lie on the table.

[The Anniversary of American Independence being celebrated to-day, an early adjournment took place.]

TUESDAY, July 6.

## SEAT OF GOVERNMENT.

The House resolved itself into a Committee of the whole on the bill sent from the Senate for establishing the temporary and permanent seat of the Government of the United States, Mr. BOUDINOT in the chair.

Mr. SHERMAN.—As this bill respects the permanent residence of the Government, which is an important subject, it ought to be a matter of inquiry, Whether the place proposed is the real centre of population and territory or not? He thought it was too far Southward. He moved therefore, that the Potomac should be struck out, and a district to include the town of Baltimore be inserted.

Mr. BURKE seconded this motion.

Mr. LEE desired the gentleman to inform the committee where he meant the temporary residence should be, provided this motion should be carried.

Mr. SHERMAN said, he had no objection to making Philadelphia the temporary residence, as soon as it was convenient. He then men-

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tioned several particulars which would render it inconvenient to go there at present.

Mr. HUNTINGTON said, that the only reason for removing, which he had ever heard, was, that this place is not so central. If there is any force in the reasoning, he wished not to go to a place less central. He adverted to the mode of conveyance to this place, generally adopted by members to get to the seat of Government. He supposed that the present centre was somewhere between Philadelphia and Baltimore; but the place contemplated is very much removed from the centre, more than three hundred miles West. With respect to centrality, he said that it is not an idea which predominates in regard to any other country of which he knew any thing respecting the geography; other and various important considerations operated in fixing the seat of Government.

Mr. WHITE observed, that if this House was alone to be consulted, on the principle of accommodation, Baltimore might answer; but when it is considered that this bill originated in the other House, who have an equal voice with us in determining the question, and in which this place has been repeatedly rejected, it is evident, that, if the clause is struck out the bill will be lost. He then controverted the calculations of the gentleman last speaking, and stated the difference of travel between the Southern and Northern distances, which is made to be as four and one-half to one; but he said, that so far as respected himself, he should make no difficulty on that account; but the accommodation of the citizens who may have business at the seat of Government is a consideration of very great importance. With respect to the uncentral situation of the seat of Government in other countries, this arose from the mere whims of the Sovereigns of those kingdoms; but modern policy has obliged the people of European countries, (I refer particularly to Great Britain,) to fix the seat of Government near the centre of trade. It is the commercial importance of the city of London, which makes it the seat of Government; and what is the consequence? London and Westminster, though they united send only six members to Parliament, have a greater influence on the measures of Government than the whole empire besides. This is a situation in which we never wish to see this country placed. He concluded by observing, that if this amendment is agreed to, the bill will be lost, and we shall be without either a temporary or permanent residence.

Mr. LEE, after a few introductory observations, entered into a consideration of the relative interests of the Southern, Middle, and Northern States. He interspersed a variety of reflections, tending to conciliate and blend those different interests—and to disseminate the sentiments of union and concord. He alluded particularly to the great object of funding the debts of the United States; the seat of Government will concentrate the public paper. Hence he inferred the necessity of a situation from

whence all parts of the Union may be equally benefited. From these considerations, he deduced the necessity of placing the Government in a central situation. He observed, that while the present position continued to be the seat of Government, the agriculture of the States to the Eastward is invigorated and encouraged, while that to the Southward is languishing and expiring. He then showed the fatal tendency of this preponderating encouragement to those parts of the country, already considered as the strongest parts of the Union—and from the natural operation of these principles he inferred that the interest of the Southern States must be eventually swallowed up. The decision of the Senate, said he, affords a most favorable opportunity to manifest that magnanimity of soul, which shall embrace, upon an extensive liberal system, the best interest of the great whole. This cannot be done, while the present unequal situation of the seat of Government of the United States continues. Nations have their passions as well as individuals. He drew an alarming picture of the consequences to be apprehended from disunion, ambition, and rivalry. He then gave a pleasing sketch of the happy effects to be derived from a national, generous, and equal attention to the Southern and Northern interests. Will gentlemen, said he, blast this prospect by rejecting the bill? I trust they will not.

He then entered into the merits of the question. The States of Delaware, Pennsylvania, Maryland, and Virginia, which contribute more than one-half to the revenue, and which have the only rival claim to the permanent seat of Government are satisfied with the arrangement in the bill. That Philadelphia is the nearest centre of the present wealth and population of the United States, the gentlemen from New York themselves will confess; the Potomac will become the nearest centre for a permanent residence probably by the period proposed—to oppose this, therefore, will be acting from merely local motives.

The gentleman moves to insert Baltimore. Mr. L. insisted that Baltimore is as far South as the place proposed, besides being exposed by its frontier position on the sea; we are not confined, said he, to a particular spot on the Potomac; we may fix on a place as far North as the gentleman from Connecticut wishes. I consider the motion, therefore, calculated to destroy the bill, and ought to be opposed by every one who is in favor of a Southern situation.

This State has no pretensions to the permanent residence. It is true, the citizens of this place have put themselves to a great expense to accommodate the Government, and are entitled to much praise for their exertions; but he wished to take up the subject on national ground, and to have it decided on principles which apply to the best interests of the whole. He then referred to a map of the Potomac, and the adjacent country which lay on the table, and which had been sent from the Executive of the

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State of Virginia. He referred also to other papers and documents.

Mr. BURKE said, he wished that the whole business of the temporary and permanent residence might now be settled. He excuplated the members who are in favor of Baltimore from all design to defeat the present bill. He referred to some observations which had been made on the conduct of the members of the States South of Virginia, and said, that they had consulted the interest of the whole. One reason why he was in favor of the motion was, because he preferred Baltimore to Conococheague. He thought a populous city better than building a palace in the woods. Another reason was, that there was no political necessity existed for removing the Government from New York to Philadelphia. He said, that the measure would excite the most turbulent passions in the minds of the citizens. It is unjust to the people of this city, to remove from this place till the expense they have incurred is repaid them. It is a breach of honesty and of justice. It is injustice to the State—to the whole Nation. He entered into a consideration of their sacrifices and services. He thought it a very extraordinary measure indeed. It is calculated, said he, to arrest the funding system, and to throw every thing into confusion. If the bill is passed in its present form, Congress will never leave Philadelphia; for the Commissioners to be appointed will incur no penalty for a neglect of doing their duty. This is a most essential defect in the bill, and there are other defects in it. He spoke in handsome terms of the State of Pennsylvania. He said, he had as high an opinion of that State, as any man whatever, but he was afraid of their influence; and that State was the last in which he would ever consent the permanent seat of Government should be. He then adverted to the influence of the members from that State, who, by their political management, had raised a storm in the United States. [Here Mr. BURKE was called to order.] After a short interruption, he proceeded, and said a Quaker State was a bad neighborhood for the South Carolinians. Here he adverted to the Quaker business last winter. He objected to Philadelphia also, on account of there being no gallery in the House proposed for the accommodation of Congress—an open gallery he considered as a very important check to the Legislature.

Mr. LAWRENCE.—The gentleman from Virginia has observed, that the object of the amendment is to defeat the bill. He has also mentioned the States which are most particularly interested in the question. Mr. L. said, the State of New York might have been considered. He wished the motion might succeed, because he thought that it would conduce to the peace of the Union. He objected to the place proposed for the permanent residence; by the bill it is conceded that the place is not, at present, a suitable position. By what magic can it be made to appear it will be more proper at the

end of ten years? What reason can be given why those parts of the Union should not populate, which are at a distance from the Potomac, in proportion to those parts in the vicinity of that place. I presume none can be assigned. Why, then, is a period of ten years to expire, previous to going there? The reason is plain. The people would not now consent to have the Government dragged to so remote a part of the United States. He then adverted to the funding business, and other important matters which remain\* to be decided on, and very strongly intimated that these questions were to be determined agreeable to the fate of this bill. He showed, from a variety of particulars, that Philadelphia would become the permanent residence. He then adverted particularly to the several parts of the bill. The first was respecting the place where it is proposed to erect the public buildings. He said, they could not be erected within the time mentioned, and showed the various difficulties which would attend the whole business. He then stated the advantages of Baltimore, and said that that place would have obtained in the Senate, if the Maryland Senators would have voted for it. He concluded by observing, that, as no necessity exists for removing the temporary residence, he hoped that Congress would sit down contented where they are.

Mr. BLOODWORTH observed, that as the funding bill had been alluded to, he could wish that the objection from that quarter might be taken out of the way. He moved that the committee should rise, in order to take up the ways and means.

Mr. SMITH (of Md.) introduced an address from the inhabitants of Baltimore to the Members and Senators from that State, which was read. This contained an account of the number of houses and inhabitants of that town, &c. also, the accommodations already made, and the provision to be made to complete every necessary arrangement.

Mr. CARROLL mentioned to the committee that there was a memorial of the inhabitants of Georgetown, on the Potomac, on the table, which he had presented some days since; and submitted it to the House whether it would be proper to read it. It was read.

Mr. LEE moved that certain papers received from the Executive of Virginia should be read, which was done.

Mr. SMITH (of S. C.) called for the reading of a Report of a Committee appointed by the old Congress, to view the banks of the Potomac; which was done.

Mr. STONE.—All we seem to differ about is, whether Baltimore or the Potomac shall be the seat of the Government; and if this was all, the Delegates of that State might fold their arms and sit down contented; but the State of Maryland has been placed in the situation of Tantalus. He then stated how the gentlemen had formerly voted, who now appear in favor of Baltimore. Had the bill come down from the

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Senate with Baltimore inserted, instead of Potomac, he should have had no difficulty in determining how to act; but he conceived, that if the amendment now proposed should take place, nothing would be done, and the business will be left in a very inauspicious state. From this and other considerations, he was resolved not to be drawn off from his present determination, by any motion, amendment, or modification of the bill whatever. With respect to himself, he had no election between the town of Baltimore and the Potomac; yet, as a Marylander, he would, if he saw a prospect of success, vote for the town of Baltimore; but as it respects the United States, he should vote for the Potomac; and on this idea he was willing to make some sacrifices. He considered the subject as one of the most painful and disagreeable that could be agitated, and he wished to have the business finally and unalterably fixed.

Mr. SENEY also considered this as an unhappy question to come before the House at this time. The State of Maryland is as much divided on the subject as the United States appeared to be; a great rivalry subsists between the Potomac and Susquehanna rivers; and he doubted not but that when the question was ultimately decided, it would be either on the one or the other of those rivers. He agreed with Mr. LEE, that Pennsylvania, Maryland, and Virginia were the only States who could make any reasonable pretensions for the seat of Government; but a majority of voices from these States had been against the Potomac. Pennsylvania and Maryland, he observed, had given the preference to the Susquehanna. Mr. S. then noticed some transactions of the Legislature of Maryland, which he said clearly evinced their determination to support the pretensions of the Susquehanna. Maryland certainly had an equal right with Pennsylvania and Virginia to have her interests consulted. The interests of Maryland, it appeared, were now to be sacrificed to those two adjoining States. And however flattering it may seem to Maryland, to fix the seat of Government on her side of the Potomac, the real advantages were in a great measure nugatory, as it would be but a very small portion of that State that could reap any benefit therefrom. The real advantages would undoubtedly result to Pennsylvania and Virginia. It appeared somewhat extraordinary to him, that gentlemen should be willing to confine the residence to a particular spot, previous to their removing to a permanent residence. Why is it necessary to fix upon Philadelphia for ten years? Surely this is putting the Government in a very ineligible situation, for it is by no means improbable that many serious and important occurrences might render a removal highly expedient, perhaps unavoidable. Besides, after the Government shall have remained ten years in Philadelphia, the probability of quitting it for the Potomac appeared to be very slight indeed. For though it was understood by the bill that the offices were to be removed

to the Potomac, yet if a majority in either House were opposed to going there, Congress would remain at Philadelphia, and they would be obliged to repeal the bill from necessity.

Mr. SCOTT said, he should not notice many things which had been offered on the subject. He would only observe, that from the town of Baltimore there is no water conveyance to the interior country; but from the proposed site on the Potomac, there are two hundred miles navigation directly into the heart of the country. Nor is Baltimore more Northerly than the position contemplated. A connexion with the Western country is of the utmost consequence to the peace and union of the United States, let the gentlemen from the sea-coast say what they will.

Mr. MADISON.—In order to decide this question rightly, we ought to compare the advantages and disadvantages of the two places as they relate to the good of the United States. Now, I will defy any gentleman, however sanguine he may be with respect to Baltimore, to point out any substantial advantage that is not common to the Potomac; and I defy them to disprove, that there are not several important advantages belonging to the Potomac, which do not appertain to Baltimore. The committee have had ample information with respect to the Northern and Southern positions of the two places. In point of salubrity of air, without disparaging the pretensions of Baltimore, the Potomac is at least equally favored in that respect. In regard to centrality of situation, the Potomac has undoubtedly the advantage. In respect to security from invasion, I aver the Potomac has the advantage also. With relation to the Western country, there is not a shadow of comparison. If we should go as far South as Baltimore, why not an equal distance Southwest to the Potomac? Those who are acquainted with the country on the Potomac, and that in the neighborhood of Baltimore, do not hesitate to give the preference to the Potomac. It is true, that Baltimore has respectable resources; her rapid growth is a clear proof of it; but look at the resources of the Potomac; the great range of rich country that borders on it, and see if these are not advantages that must, in a short time, produce a commercial town. Sir, a period might be named, not exceeding ten years, within which the town of Baltimore obtained the greater part of its increase and consequence; a period of ten years will produce the same effects on the Potomac, because the same causes exist; and when, superadded to this, the residence of Government shall be there, there can be no doubt but that there will be every accommodation that can be desired.

It is said, that before the ten years expire, a repeal of the act may take place, and thus Congress be kept at Philadelphia. But what more can we do than pass a law for the purpose? It is not in our power to guard against a repeal. Our acts are not like those of the Medes and Persians, unalterable. A repeal is a thing

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against which no provision can be made. If that is an objection, it holds good against any law that can be passed. If those States that may have a superiority in Congress at a future day will pay no respect to the acts of their predecessors, or to the public good, there is no power to compel them.

But I flatter myself that some respect will be paid to the public interest, and to the plighted faith of the Government. As to centrality, the best evidence we have at this time in favor of the Potomac is the different travelling of the members; and this, sir, proves incontestably that the proposed place on the Potomac is near the centre. If any arguments could be brought against it, it is its being too far to the Northward. For the mileage South of the Potomac is twelve thousand seven hundred and eighty-two miles, to the North of it twelve thousand four hundred and twenty-two miles. If to this Rhode Island be added, it will not be more than equal. If the bill once passes, I am not under any apprehensions of a repeal; but if danger of a repeal does exist, it is of that kind against which we cannot guard. Sir, we should calculate on accepting the bill as it now stands; we ought not to risk it by making any amendment. We have it now in our power to procure a Southern position. The opportunity may not again speedily present itself. We know the various and jealous interests that exist on this subject. We should hazard nothing. If the Potomac is struck out, are you sure of getting Baltimore? May no other places be proposed? Instead of Baltimore, is it not probable we may have Susquehanna inserted, perhaps the Delaware? Make any amendment, sir, and the bill will go back to the Senate. Are we sure that it will come back into our possession again? By amending, we give up a certainty for an uncertainty. In my opinion, we shall act wisely, if we accept the bill as it now stands, and I beg leave to press it on gentlemen not to consent to any alteration, lest it be wholly defeated and the prospect of obtaining a Southern position vanish for ever.

Mr. GERRY said, he rose with greater reluctance on this than he ever did on any former occasion; and it is because it appears pretty evident the advocates of the bill are sure of a majority, and are determined not to change their minds let what arguments will be offered on the subject. The business of establishing the permanent residence is contrary to the sentiments of a majority of the members of this House, and of the Senate, as they have both negatived a bill for this purpose the present session. It is to be regretted that it has ever been brought forward, for it is very evident that it has had a very pernicious influence on the great business of funding the public debt. He then mentioned the former removals of Congress, which had never been complained of, as the public business was never neglected. He said, that if the present bill is carried into execution, a very great uneasiness will ensue; for the measures

of Congress, and not their residence, are the objects of concern to the people. Those States who think that they shall be injured it cannot be expected will acquiesce. He then gave an account of the process of this measure the last session. The travelling has been mentioned. This, he said, could not be considered as an argument in favor of the bill, for the expense is not paid by particular States, it comes out of the common treasury. He asserted that the accessibility to New York is better than that to the Potomac. He contended the risk by land is greater than that by water. He stated the advantages that the Southern members derived from coming to the Northward, while, on the other hand, is there, asked he, any thing to balance the risk and difficulties which the Northern members must encounter in such a Southern situation? He said it was highly unreasonable to fix the seat of Government in such a position as to have nine States out of thirteen to the Northward of the place. He adverted to the sacrifices which the Northern States are ready to make in being willing to go so far South as Baltimore. He contended that the explicit consent of the Eastern States ought to be obtained, before they are dragged still further South. He ridiculed the idea of fixing the Government at Conococheague. He did not think there was any serious intention of ever going to this Indian place. He considered the whole business as a mere manoeuvre. Baltimore holds out the only prospect of a permanent seat of Government. He recapitulated the account which before had been given. From this he adverted to the general expectation of the public with respect to the Government's tarrying here till the permanent seat was established. He particularized the expenses that had been incurred by the citizens, and for which they merited great honor. He said, it had been promised to New York that this place should be the temporary residence of Congress, and on this engagement they came into an unconditional adoption of the Constitution. Should this bill pass, what can it be denominated but a delusion, a deception, sanctioned by Congress itself? He remarked on the several observations offered by Messrs. MADISON, LEE, STONE, and SCOTT.

Mr. VINING.—When I find arguments made use of to inflame the minds of gentlemen against the members of this House, I think it my duty to notice such observations. Attempts are made to hold up, in an odious point of light, the members of Pennsylvania. Sir, it is a fact, which your Journals will justify, that the members from Pennsylvania voted the last session against Philadelphia. I trust that none of those observations will have the least influence on the mind of one single individual. We are sent here to do the public business, and I trust that our constituents have not sent men that are to be deterred from doing their duty by such insidious insinuations, such ill-founded suggestions of deceiving and deluding the citizens of this



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place. Mr. V. added some more strictures on Mr. GERRY's observations, and then entered largely into the merits of the question. He supported the bill on general principles, and noticed the several objections that had been made by different members. He imputed the embarrassments of the public business to the assumption, and not to the subject of residence.

Mr. CLYMER made a few remarks on the observations of Mr. BURKE, which were not distinctly heard.

The committee rose, and reported progress.

WEDNESDAY, July 7.

#### GENERAL POST-OFFICE.

A message from the Senate informed the House, that they have passed the bill to establish the post-office and post-roads within the United States with several amendments, to which they desire the concurrence of this House.

#### SEAT OF GOVERNMENT.

The House again resolved itself into a committee on the bill for establishing the temporary and permanent seat of Government, Mr. BOUNDINOT in the chair.

Mr. BURKE made some remarks on the observations of Mr. VINING, in which he exculpated himself from all design to excite mobs and tumults among the citizens of New York, as had been insinuated by that gentleman. He declared that he believed the citizens incapable of behaving so much out of character. For himself, he disclaimed any such idea. He further observed, that the delegates from Pennsylvania were fully competent to advocate the interest of their particular State; they had given abundant evidence of their abilities; they therefore did not need the assistance of the gentleman from Delaware.

Mr. HARTLEY observed, that it was the fault of the New York senators last year that they did not vote for a four years' residence in their own city, and the permanent one at Germantown, which they could then have carried. He defended himself and his colleagues from any charge of want of generosity, and also defended the character of the Quakers. The gentleman (Mr. BURKE) is not acquainted with the people called Quakers or their history, or he would entertain different sentiments concerning them. Under the famous William Penn, they settled the former Province of Pennsylvania, between the years 1680 and 1690, near the close of the last century; and such was their justice, wisdom, moderation, and good policy that they gained reputation abroad. Men emigrated from the European world to this Land of Freedom. They preserved peace at home, for it was not until the year 1753, when a war, fomented on the borders of another Province, that an inhabitant of Pennsylvania was killed by the hands of an Indian. The Quakers had always been remarkable for their moral laws,

for the plainness of their manners, and their benevolence. Nay, should the gentleman go to Philadelphia, he will find that these people will treat him as well as any other society. They merit not the abuse which has been so frequently thrown upon them.

Mr. BLOODWORTH thought that if the New York senators had acted wrong, yet the people should not be blamed for it. The proposition of Mr. BURKE was so reasonable and just that he said he could not avoid approving of it.

Mr. LAWRENCE defended the New York senators, and explained the reasons of their former conduct, which, when it was known, he believed, would rather merit the approbation of the people. He then proceeded to remark upon the conduct of New York during the war and since. Her revenue had been thrown into the Treasury of the United States, and every succor that could possibly be expected was received from her. Upon the whole, he wished the dispute of residence could be left to the decision of the three Northern and three Southern States; and he appealed to the House, as politicians and men, for the justice of the case.

Mr. WADSWORTH rose next. He was proceeding when he was called to order. After some altercation on the question of order,

Mr. PAGE spoke to the merits of the question, in which he introduced several conciliatory observations, and then added, as to the place for the permanent residence of Congress, any unprejudiced disinterested man in the world, looking over the map of the United States, would put his finger on the district pointed out in the bill, and say, "This is your place, sir." As to going to Philadelphia, it is not my wish to go and stay there as proposed in the bill; but I say, with my colleague, (Mr. MADISON,) that I consent to go there to get into a more central position, and to be fairly on our way to the permanent residence on the Potomac. As to our present situation, the citizens of New York themselves acknowledge, nay, even the member himself who has called me to order, acknowledges that it has no pretensions to be the permanent residence, and it must be confessed that in proportion as it is improper for the permanent residence it must be improper for the temporary residence. The continuance of Congress here has been acquiesced in by the Southern States, merely on the supposition that a removal to the permanent residence would take place sooner if Congress sat here than at some other place more central. The wise and virtuous citizens of New York know this, and cannot resist the removal.

Sir, I was not apprehensive that the observations made by gentlemen yesterday could excite an improper resentment in their minds; there is not a city in the world in which I would sooner trust myself and Congress than in New York; for it is superior to any place I know for the orderly and decent behavior of its inhabitants; but, sir, when the member behind me, (Mr. BURKE,) who alluded to me when he was last up, said that they were in-

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jured and robbed by Congress, I told him, as a friend, that had I been in the chair I should have called him to order.

I confess I was shocked to hear that gentleman's declarations repeated by a member on the other side of the House, who is remarkable for his coolness and his peculiar attention to every sentiment offered in debate (Mr. GERRY). I took the liberty, when the House adjourned, to tell that gentleman, perhaps too freely, what I thought respecting those declarations; if I gave him, or the member behind me any offence, I ask their pardon; but I still think I should have done my duty, had I taken notice of the impropriety of their declarations in my place in the House, as a friend to order and freedom of debate.

Mr. LIVERMORE said, that the motion for striking out the Potomac and inserting Baltimore is so reasonable in itself, that I cannot conceive there should be one person opposed to it. He observed, that Baltimore is as far South as the Potomac; the members will then have as far to go to one as the other. There is a river, it is said, which runs two hundred miles into the country as far as the Allegany mountains; what advantage can this be to Congress? I can conceive none, except that it may be to send the acts of Congress by water to the foot of the Allegany mountains. He thought that the centre of population was the only true centre. It is not pretended that the Potomac is at present this centre; but it is said that it will in time become the centre of population. What reason is there for any such supposition? The place in which this favorite spot is has been as long settled as any other part of the Continent, but the population has not kept pace with many other parts of the United States; it is therefore entirely chimerical and problematical whether it ever will become the centre of population. He then enlarged on the superior advantages of a populous city for the seat of Government, and concluded by repeating that the amendment is so reasonable in itself, that he hoped every member of the committee would vote for it.

Mr. GERRY.—In discussing this subject yesterday, I made use of such arguments as appeared to me pertinent to the occasion. But, sir, those arguments have had the most extraordinary construction put on them by the gentleman from Delaware; they have been represented as tending to excite mobs, and to raise insurrections in this city. Sir, I insist that the observations I made had a direct contrary tendency. I said that the bill contained those malignant principles which had a direct tendency to agitate and inflame the minds of the citizens of America. Those principles I was endeavoring to expose, and to show what must be their obvious effects. Is this exciting mobs? Directly the reverse, in my opinion. I never had any such idea; and as to the citizens of New York, I have too just a sense of their wisdom and good judgment to harbor such a sentiment. He then adverted to the Constitution,

to show that there could be no danger of an insurrection or rebellion against the Government. Congress is vested with a sufficient power to protect themselves from every insult whatever; they have a right to call forth the whole militia of the Union for their protection. [Here Mr. G. was called to order, and some altercation ensuing, Mr. G. said he would say nothing further on this particular topic.] He then proceeded to state his arguments against the Potomac, in the course of which he noticed some observations which had fallen from Messrs. VINING and CLYMER. One of the gentlemen had said that "Pennsylvania had a right to the seat of the General Government." This he denied; he said no State in the Union could pretend to such a right, Congress alone has a right to determine where the seat of Government shall be. He entered into a lengthy discussion on the merits of the Potomac, and among many other observations asserted that taking so Southern a situation would amount to a disqualification of many of the Northern members, who would forego their election rather than attend the National Legislature on that river.

Mr. VINING read a report of a committee of the late Congress, respecting two seats of Government, in which report Georgetown was mentioned. Mr. GERRY, being one of this committee, rose to explain.

Mr. SEDGWICK, in a speech of considerable length, stated his objections to so Southern a situation as either Baltimore or the Potomac, and said that he should have the unhappiness, he feared, of dividing on the question from his colleagues.

Mr. SIERMAN offered some calculations respecting distances, and made Baltimore to be the nearest to the centre of any other place that had been mentioned.

Mr. WHITE said, he had no idea of altering the sentiments of a single member of the committee; he did not expect the gentleman from New Hampshire would agree with him. The gentleman from Massachusetts has said something about the Government going into the wilderness; he said it was true that there was not at present every accommodation which gentlemen might wish; but there is every probability that there will be. He said that such improvements were making in the navigation of the Potomac as will render it a place affording every accommodation whether Congress go there or not. He instanced several places on the Potomac which were at this day sufficiently populous to accommodate Congress. He then adverted to situation, and observed that a line from the Atlantic, east and west, to the extreme point mentioned in the bill, will intersect the State of New Jersey, include the whole of Delaware and Maryland, and will throw thirty-one members of the representation in the Southern division of the United States. He then observed, that after the present ferment is subsided, this position will be consider-

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ed as a permanent bond of union; and the Eastern States will find their most essential interests promoted by the measure. He adverted to the trade of Massachusetts, which he said was greater to Virginia than to the whole Union besides; the Southern States will be cordial in promoting their shipping and advancing their interests, when they observe that the principles of justice influence them on this great national question.

He then remarked on the observation of Mr. SHERMAN respecting the repealing of the law, and reprobated the principles on which such observations are founded; he remarked on the attraction of populous cities, and trusted that other ideas would prevail in this country than what influenced in fixing the seats of Government in Europe.

Mr. SMITH, of South Carolina, said, he was in favor of the motion, as the only one which held out a probability of ever fixing on a Southern residence. He enlarged on the difficulty and improbability of ever removing from Philadelphia. He said that it was evident, from the present representation, and what is most likely it will be ten years hence, that Congress could not be removed from that place. He then stated the number of the members to the southward and northward of Philadelphia, and observed that the Congress that would exist at the expiration of ten years may think entirely different from the present, and will not think themselves bound by the law; but if they should, what can the measure be denominated but legislating for the next century. A system proposed the last session, which combined a much greater interest than the present, failed; and what reason have we to suppose that this bill will ever be carried into execution? He said no gentleman pretends that the place proposed is now ready for the reception of the Government; and even if the buildings were now erected, is there any gentleman who would give his vote for going there? He would agree to a place in the neighborhood of Baltimore, and this he supposed was the furthest Southern position the gentlemen from the Eastward will ever consent to. From all the views he could take of the measure, he was fully convinced that the Potomac was tacked to the bill merely to carry Philadelphia; he wished gentlemen seriously to consider the consequences of passing a law which would so intimately and inauspiciously affect the interests of so many people.

Mr. MARSHALL objected to the motion for inserting Baltimore, as it would be risking the bill with a place which has already been repeatedly rejected by the Senate; he religiously believed, he said, that if Baltimore was inserted the bill would never pass the Senate; and the fate of the bill which the gentleman mentions ought to be a serious warning to us never to risk this with an amendment; the instance, therefore, produced by the gentleman is very much against his own argument.

The question being put for striking out the

word "Potomac," and inserting "Baltimore," it was negatived—37 to 23.

Several other amendments were offered, and negatived without a division.

Mr. BURKE then made the following motion:

"That the seat of Government should remain in New York two years from last May; and from the expiration of that time to the year 1800, that the seat of Government should remain in Philadelphia."

The committee rose, and the resolution lay upon the table.

THURSDAY, July 8.

#### INVALID PENSIONERS.

A message from the Senate informed the House that they have disagreed to the bill to authorize the issuing of certificates to a certain description of invalid officers; and that they have passed the bill further to provide for the payment of the invalid pensioners of the United States, with an amendment, to which they desire the concurrence of this House.

#### COLLECTION OF DUTIES.

Mr. GOODHUE, from the committee appointed on the subject, presented a bill to regulate the collection of the duties imposed by law on goods, wares, and merchandises, imported into the United States, and on the tonnage of ships or vessels, which was twice read and committed.

#### SEAT OF GOVERNMENT.

The House again went into a committee on the bill for establishing the temporary and permanent seat of Government, Mr. BOUDINOT in the chair.

The amendment yesterday proposed by Mr. BURKE being taken up,

Mr. BURKE observed, that he was induced to make this motion from a wish to accommodate; as a delegate from South Carolina he considered himself in a proper situation to come forward on this occasion; the New York and Pennsylvania members are parties concerned in the business, they are judges in their own cause; and in this view it may be expected that they will be partial to their respective interests; he therefore conceived that a motion by a member from a State not specially interested might be made with the greatest propriety; he repeated some observations respecting the injustice of so suddenly quitting New York, and adverted to their particular situation respecting the term of their leases which expire the first of May, and on this account he proposed that that should be the time at which the removal of Congress should take place.

Mr. LAWRENCE entered into a consideration of the pretensions of New York. He said she had a claim to the seat of Government from the various circumstances which had attended the residence from the time Congress first came to this city, and from the exertions which it had recently made. Mr. L. did not particularly refer to the improvements of the city for the accommodation of the Government. His ob-

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servations were general, and respected the policy and expediency of the measure.

Mr. PAGE opposed the amendment. He observed that as to the claims of New York, he did not conceive that she had any claims whatever. It is true she had put herself to a considerable expense to accommodate the Government, and he was ready to acknowledge her patriotism on this account; but, said he, there is not a city of equal magnitude in the Union that would not have done the same; and she is reimbursed by the advantages she has derived, and does receive by the money that is expended here in consequence. He said that the accommodation of the people at large ought to be a prime consideration with the Legislature, and in this view, to avoid any risk respecting the bill, and to settle a business which has much agitated the public mind, he should vote against the motion. There is one argument indeed which deserves attention. I mean that which is founded on the supposition that the bill is unconstitutional, and that this was the opinion of my colleague on a former occasion. Sir, it was then my opinion also; but we were then overruled by this House, and now have the opinion of the Senate also against our construction of the Constitution. However, I rely not merely on this circumstance, for I find, upon an examination of all that the Constitution says about an adjournment, that the clause in the bill is perfectly constitutional, as there are but two sentences in the Constitution respecting adjournments. The last clause of the fifth section of the first article, and the third section of the second article, the former of which runs thus: "Neither House, during the session of Congress, shall, without the consent of the other, adjourn for more than three days, nor to any other place than that in which the two Houses shall be sitting." Now, sir, to be inconsistent with this clause of the Constitution, the bill should direct that adjournments shall take place without the consent of the Senate; but the bill before us was framed by the Senate, and a perfect concurrence of the three branches of the Legislature is proposed to the adjournment now under consideration; how, then, can it be inconsistent with the third section of the second article of the Constitution, which gives the President a right to interfere in case of a disagreement respecting the time of an adjournment? It might, indeed, be said, upon a question concerning common adjournments, that the two Houses would do well to retain the right of adjourning without the consent of the President. But, sir, is this an extraordinary case, in which it will be happy for Congress and their constituents if the business of adjournment shall depend upon the joint consent of the three branches of the Legislature, and not on that of the two Houses alone. Without this check, after getting to Philadelphia on an adjournment, we might be brought back to New York, and then carried back again; and so on without end. I think, therefore, that the

clause in the bill is not only constitutional but proper.

Mr. TUCKER said, he should move to divide the question; but he had his objections to the passing a bill for a purpose which a joint resolution was fully competent to effecting; his argument against the bill turned upon this idea, that Philadelphia would become the permanent residence, and this he conceived to be the main object; for, said he, it will become the duty of Pennsylvania to prevent Congress ever leaving that city, if, at the expiration of the period of ten years, they shall think that Philadelphia is the best place in which to continue the seat of Government. He said he was sorry to hear the arguments which had been brought forward on this question respecting losing the bill if it was amended; he thought them calculated to abridge a fair legislative discussion of the merits of the subject. Mr. T. spoke in handsome terms of the citizens of New York.

Mr. GERRY was in favor of putting the question as originally moved. The complexion of the bill affects the temporary residence of Congress; to form a judgment of the amendment proposed it is necessary to take a view of the proposition as it stands in the bill. The State and city of New York are differently situated from any other place at which Congress ever sat; the accommodations of all other places at which Congress has ever sat have been an appropriation of their public buildings. When the Constitution was adopted, Congress determined that the first meeting should be in New York; and from this determination it became necessary that accommodations should be provided. Had not New York done this, they would have been charged with parsimony or disaffection, or with both. It would have been said, that this city having been a British garrison was careless and indifferent in respect to the Government; these considerations and their attachment to the Constitution produced the elegant building in which the sessions of Congress have been held; in addition to this, they have incurred other heavy expenses to beautify and render more convenient the seat of Government. These expenses the city has incurred to do honor to the new Government, and they have not been reimbursed; will it not then be considered as the height of ingratitude to quit the place under such circumstances?

Let us now consider the bill in a national point of view. He acknowledged that Philadelphia was undoubtedly nearer the centre of wealth and population than New York; but the Potomac was more uncentral than the place at which we now sit. He said, that provided Philadelphia is the temporary seat, and should thence become the permanent residence, we shall go but ninety miles out of two hundred and fifty, the proposed centre on the Potomac. He recapitulated his former observations, and said, civilities ought to meet civilities, and are as much obligatory on States as individuals. If there is any weight in the argument, it will

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apply with equal force in favor of Baltimore, when the Government shall be removed to Philadelphia. The law of the State of Pennsylvania, he said, is against Philadelphia being made the seat of Government. He contrasted the representation of New York and Philadelphia, and remarked on the inequality and the advantages which the latter enjoyed over the former. He dreaded, he said, the consequences of rejecting the proposition for continuing in New York two years, and urged the necessity of cultivating harmony between the two States; but the subject having been fully discussed, I shall add no further observations.

Mr. SHERMAN was in favor of the motion, and urged several reasons in support of it.

Mr. JACKSON said, he should vote for the bill as it is, for if New York should be inserted only for six months, he believed the bill would be rejected by the Senate. He said there were two points which required some consideration; the one is respecting the objection on account of adjournment; he thought no difficulty could result from this, as he believed no President would ever give his assent to a repeal of the law: the other is respecting the exertions of the citizens of New York; on this point, Mr. J. observed, that every acknowledgment was due to the citizens; but the same difficulty would always occur, and perhaps greater, let Congress move when they will.

Mr. LAWRENCE replied to Mr. JACKSON. He said, that if the bill was sent up to the Senate, with the amendment, and it should be rejected, the bill will be sent back, and then the House may say whether they will adhere or not. If they do not determine to adhere, the bill may then be passed, so that the objection on this account appears to be void of any foundation.

Mr. VINING observed, that much is said about ingratitude, but this seems to arise from the idea of going to Philadelphia; the other day when Baltimore was proposed, it was readily agreed to, and nothing was said about ingratitude. What has Philadelphia done that the charge of ingratitude must be reiterated against Congress whenever that city is mentioned. With respect to the buildings remaining a monument of their ingratitude, he begged leave to say, that so far from this, it would remain a monument of the good sense, patriotism, and public spirit of the city.

The question being taken on Mr. BURKE's amendment, it was negatived—32 to 28.

Mr. SMITH, of South Carolina, moved that these words, "at which place the ensuing session of Congress shall be held," should be erased.

This occasioned further debate; the constitutionality of passing a law on the subject of adjournment was contested by those in opposition to the bill.

The motion being negatived, and the bill being gone through with, the committee rose and reported the same without any amendment. It was ordered to lie on the table till to-morrow.

## GENERAL POST-OFFICE.

The House proceeded to consider the amendments proposed by the Senate to the bill to establish the Post-Office and Post-Roads within the United States.

The first amendment was to strike out the first and second sections, which specified and established the several roads, and to insert a clause empowering the Postmaster-General, under the direction of the President of the United States, to establish them.

A concurrence in this amendment was opposed by MESSRS. BLOODWORTH, WHITE, STEELE, LIVERMORE, HARTLEY, and GERRY.

It was said, that it was delegating the power of legislation to the Supreme Executive in one of the most important points that could be mentioned. The revenue also will centre in the hands of the Executive; and in process of time this revenue may be converted into an engine destructive to the liberties of the United States; for as it is a perpetual law, and as the time may, and probably will, come, when the Executive may be corrupt; as the revenue increases the officers of the Department will be increased, and we do not know to what extent the consequences may be carried. It is unconstitutional, as that expressly reserves the power of establishing Post-Offices and Post-Roads to the Legislature. It was further observed, it would be throwing a burden upon the President which he cannot execute with any convenience to himself, and from his situation, with satisfaction to the people. The representatives of the people, who come from all parts of the United States, must be supposed to have a more competent knowledge of the proper places for establishing Post-Roads than the Postmaster-General.

A concurrence was advocated by Mr. PARTIDGE, and Mr. SEDGWICK.

It was said, that upon an accurate calculation it was found that the roads proposed by the bill as it passed the House, are so numerous, that so far from affording a revenue, they will prove a great burthen to the United States. The circumstances of the country are continually changing; the seats of Government in the several States are removed from their ancient situations to one hundred miles distance; to accommodate the people in such cases, old routes must be discontinued and new roads opened, which will be a perpetual source of Legislation and unnecessary expense. This business was left to the Postmaster-General by the late Congress, and very few complaints were heard; the Postmaster-General, by his office, must be the most competent judge, as the business will be a principal object of his attention, and actual surveys of the roads will be made by his assistants in all parts of the United States; but if the responsibility of this officer is divided into sixty-five parts, every one of which has its own particular convenience in view, it must appear evident that all responsibility is entirely dissipated. As to the unconstitutionality, it was said that the bill proposes no more in the present

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instance than is provided for in the other Executive Departments; the principles of conducting the business are established by the House; the mode of carrying those principles into execution is left with the Executive, and this of necessity is done in almost every case whatever. The House adjourned without coming to a vote.

FRIDAY, July 9.

## INVALID PENSIONERS.

The House agreed to the amendment of the Senate to the bill further to provide for the payment of the invalid pensioners of the United States.

## GOVERNMENT OF SEAMEN, &amp;c.

A message from the Senate informed the House that they had passed the bill for the government and regulation of seamen in the Merchants' service, with amendments; also the bill to regulate trade and intercourse with the Indian tribes; and the bill to provide more effectually for the settlement of the accounts between the United States and the individual States; to which they desire the concurrence of this House.

## SEAT OF GOVERNMENT.

The House proceeded to consider the bill sent from the Senate, for the establishing the temporary and permanent seat of Government of the United States.

Mr. BOUNDINOT, after expressing his disapprobation of the bill generally, moved that the Potomac should be struck out and the Delaware inserted, and called for the yeas and nays; after some debate this motion was negatived, as follows:

YEAS.—Messrs. Ames, Benson, Boudinot, Floyd, Foster, Gerry, Goodhue, Grout, Huntington, Hathorn, Leonard, Lawrence, Livermore, Partridge, Rensselaer, Trumbull, Schureman, Sherman, Sylvester, Sturges, Sedgwick, Wadsworth.—22.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gilman, Heister, Hartley, Jackson, Gale, Griffin, P. Muhlenberg, Madison, Matthews, Moore, Page, Parker, Lee, Steele, Scott, Sinnickson, Stone, Sevier, Seney, Smith, of Maryland, Smith, of South Carolina, Sumter, Thatcher, Tucker, Vining, White, Williamson, Wynkoop.—39.

Mr. AMES moved to strike out Potomac and insert Germantown, as the permanent residence. Yeas 22, nays 39.

Variation—Mr. GILMAN, aye; Mr. TRUMBULL, nay.

Mr. SMITH, of Maryland, moved to strike out Potomac and insert between the Potomac and Susquehanna. Yeas 25, nays 36.

Variation—Messrs. SMITH, of Md., SMITH, of S. C., TRUMBULL, and THATCHER, yea; Mr. SHERMAN, nay.

Mr. LAWRENCE moved to strike out Potomac and insert Baltimore.

YEAS.—Messrs. Ames, Benson, Boudinot, Floyd, Foster, Gerry, Goodhue, Grout, Hathorn, Hunting-

ton, Lawrence, Leonard, Livermore, Rensselaer, Partridge, Schureman, Sedgwick, Seney, Sherman, Smith, of Maryland, Smith, of South Carolina, Sylvester, Sturges, Thatcher, Trumbull, Wadsworth.—26.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gilman, Gale, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Sevier, Sumter, Sinnickson, Steele, Stone, Tucker, Vining, White, Williamson, Wynkoop.—34.

Mr. GERRY moved to strike out the words "purchase or." Yeas 26, nays 35.

Mr. GERRY moved to insert a clause which should limit the commissioners, in the expense, to the sum to be appropriated by the bill. Yeas 26, nays 33.

Mr. LAWRENCE moved to add these words—"provided the buildings shall not exceed the sum of \_\_\_\_\_ dollars." Yeas 26, nays 32.

Mr. GERRY moved that the words "three commissioners, or any two of them," should be struck out. This was negatived.

Mr. TUCKER moved that the whole of the 5th section should be struck out.

YEAS.—Messrs. Ames, Benson, Bloodworth, Boudinot, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huntington, Lawrence, Leonard, Livermore, Partridge, Rensselaer, Schureman, Sedgwick, Seney, Sherman, Sylvester, Smith, of Maryland, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—28.

NAYS.—Messrs. Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Goodhue, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Sevier, Sinnickson, Steele, Stone, Sumter, Vining, White, Williamson, Wynkoop.—33.

Mr. BURKE moved to strike out the first Monday in December next, and to insert the first Monday in May, 1792.

The yeas and nays as above, except Mr. GOODHUE, who was not present.

Mr. SHERMAN moved that "December" be struck out before the word "next," and May inserted.

The yeas and nays the same as on Mr. TUCKER's motion for striking out the 5th section.

Mr. SMITH, of South Carolina, moved that the words "at which place the next session of Congress shall be held," should be struck out. He moved this amendment, he said, on account of the unconstitutionality of the clause.

YEAS.—Messrs. Ames, Benson, Boudinot, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huntington, Lawrence, Leonard, Livermore, Partridge, Rensselaer, Sedgwick, Seney, Sylvester, Sherman, Smith, of Maryland, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—26.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Gilman, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Sevier, Sinnickson, Steele, Stone, Sumter, Vining, Williamson, White, Wynkoop.—33.



JULY 13, 1790.]

*Debts of the States.*

[H. OF R.]

Mr. SMITH, of Maryland, moved an amendment by which the public officers should be removed to the Potomac previous to the year 1800, provided the buildings should be prepared for their reception before that time. Yeas 13, nays 48.

It was moved that the bill be read the third time on Monday next; this was negatived.

To-morrow was then proposed; this was negatived.

A motion was made to adjourn; which was also negatived.

The bill was then read the third time; and on the question shall the bill pass, the yeas and nays were as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Gale, Griffin, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Scott, Sevier, Sinnickson, Steele, Stone, Sumter, Vining, White, Williamson, Wynkoop.—32.

NAYS.—Messrs. Ames, Benson, Boudinot, Burke, Floyd, Foster, Gerry, Goodhue, Gilman, Grout, Hathorn, Huntington, Lawrence, Leonard, Livermore, Partridge, Rensselaer, Schureman, Sedgwick, Seney, Sherman, Sylvester, Smith, of Md., Smith, of S. C., Sturges, Thatcher, Trumbull, Tucker, Wadsworth.—29.

SATURDAY, July 10.

GENERAL POST-OFFICE.

The House took into consideration the amendments proposed by the Senate to the following bills, viz: The bill to regulate trade and intercourse with the Indian tribes; the bill to provide for the regulation and government of seamen in the merchants' service; and the bill to establish the Post-office and post-roads in the United States. To some of the amendments the House agreed, and disagreed to others, so that none of the bills were completed. The first amendment to the Post-office bill, by which the Senate proposed that the establishment of cross-roads should be left to the Postmaster General, under direction of the President of the United States, was rejected; the discussion of the other amendments took up the time till the adjournment.

One of the amendments to the Post-office bill proposed that the transmission of newspapers, through the medium of the Post-office, should be under such regulations as the Postmaster General shall establish; and with such abatement of postage as may be necessary for the easy conveyance of information to the citizens of the United States. Disagreed to.

This amendment was opposed by Mr. GERRY and Mr. BURKE, on this ground—that it carried with it the plainest outlines of a system to establish a Court Press and Court Gazette. To give this paper a currency and circulation through all parts of the Union, in total discouragement and exclusion, through the post-office, of every other paper, if the Administration thought proper to do so, in case of any of those contests and jarrings which often happen be-

tween the Administration and the People in a Government like ours. They urged that the Postmaster General is authorized by this clause to put in practice a management calculated to circulate the papers and publications of one printer, with abatement of postage, and to discourage others under such uniform regulations as he may think proper to establish.

#### INDIAN TRIBES.

An amendment of the Senate to the bill to regulate trade and intercourse with the Indian tribes, by which they propose that the fourth section should be struck out, was taken into consideration. This section appropriates 10,000 dollars, to be applied in purchasing necessities and presents, under the directions of the President of the United States, for the Indians.

This amendment was disagreed to.

#### COLLECTION OF DUTIES.

The House resolved itself into a Committee of the whole, on the bill to regulate the collection of duties imposed on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships and vessels, Mr. BODINOT in the chair. Sundry amendments were made in this bill; which were ordered to be reported to the House to-morrow.

#### SLAVERY.

A message from the Senate informed the House, that they recede from their amendment to the bill for the regulation and government of seamen in the merchants' service, to which the House had disagreed; and that they adhere to their amendment to the bill to regulate trade and intercourse with the Indian tribes. They also insist on their amendments to the Post-office bill, and request a conference on the subject.

TUESDAY, July 13.

#### UNIFORMITY OF CURRENCY.

The SPEAKER laid before the House a report from the Secretary of State, of a plan for establishing uniformity in the currency, weights, and measures, of the United States, pursuant to an order of the House of the 15th of January last; which was ordered to lie on the table.

#### DEBTS OF THE STATES.

Mr. FITZSIMONS, from the Committee appointed for the purpose, presented a bill making further provision for the payment of the debts of the United States, which was twice read and committed.

A committee consisting of Messrs. GERRY, STEELE, HARTLEY, VINING, and BURKE, was appointed, to confer with the Committee of the Senate on the disagreement of the two Houses in respect to the Post-office bill.

The Senate having insisted on their amendment to the bill "to regulate trade and intercourse with the Indian tribes," it was moved that the House should recede from their disagreement.

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Public Debt.

[JULY 16, 1790.]

This motion, after some debate, was negative—27 to 24.

A Committee, consisting of Messrs. MADISON, SEDGWICK, and MOORE, was appointed to confer with the Senate on the subject of disagreement.

The House took into consideration the amendments to the new collection bill; which, being accepted, and other amendments agreed to, the bill was ordered to be engrossed for a third reading on Tuesday next.

The amendments proposed by the Senate to the bill providing for the settlement of accounts between the United States and individual States were next taken up.

The first amendment was to strike out the two additional commissioners proposed by the bill.

Mr. FOSTER proposed that the House should concur with the Senate.

This motion occasioned a debate, and was finally rejected.

#### WEDNESDAY, July 14.

The House took up the amendment of the Senate to the bill for settling the accounts between the United States and individual States.

They disagreed to the amendments, and appointed a Committee, consisting of Messrs. SEDGWICK, WADSWORTH, BOUDINOT, FITZSIMONS, and WILLIAMSON, to confer with the Senate.

Mr. SMITH, of South Carolina, introduced a bill making further provision for the support of light-houses in those States which have not yet ceded them to Congress. The bill was twice read, and ordered to be engrossed.

The memorial of Lewis Pierre Lambert de Neuville was taken up for consideration, and the petitioner had leave to withdraw his petition.

#### THURSDAY, July 15.

The engrossed bill to amend the act for the establishment and support of light-houses, beacons, buoys, and public piers, was read the third time and passed.

#### ADJOURNMENT.

The House proceeded to consider the report of the Joint Committee of the two Houses, appointed to consider, and report their opinion, when it will be convenient and proper that an adjournment of the present session of Congress should take place; whereupon,

*Resolved*, That in the opinion of this House, the business now depending before the two Houses may be finished by Tuesday, the twenty-seventh instant; and that it will be convenient and proper that an adjournment of the present session of Congress should take place on that day.

#### OFFICERS AND SOLDIERS OF THE REVOLUTION.

Mr. BROWN, from the Committee appointed for the purpose, presented a bill to enable the officers and soldiers of the Virginia line of con-

tinental establishment to obtain titles to certain lands lying northwest of the river Ohio, between the Little Miami and Sciota; which was twice read and committed.

#### FEES OF CONSULS.

Mr. GERRY, from the Committee appointed for the purpose, presented an amendatory bill for establishing the fees and perquisites to be received by consuls and vice-consuls of the United States in foreign ports, and for other purposes therein mentioned; which was twice read and committed.

#### DEBTS OF THE UNITED STATES.

The House resolved itself into a Committee of the whole on the bill making further provision for the payment of the debts of the United States, Mr. BOUDINOT in the chair.

The bill being read, a motion was made that the committee should rise, in order to bring in a new impost bill, that the new duties proposed by the bill, in addition to the old, might be united, and made specific in one bill. This motion was supported by Mr. SMITH, of South Carolina, and Mr. SEDGWICK; it was opposed by Messrs. JACKSON, MADISON, PAGE, and HARTLEY.

The motion was negative.

The bill being gone through with, the committee rose and reported the same to the House, without amendment.

A variety of motions were made, and some of them, after debate, withdrawn. A motion to add a clause for repealing the section in the impost bill, which limits its duration to the year 1796, was debated till the adjournment, without coming to a decision.

#### FRIDAY, July 16.

#### PUBLIC DEBT.

The House resumed the consideration of the bill making further provision for the payment of the debts of the United States.

Mr. FITZSIMONS proposed several additions, some of which were agreed to; among others,

A drawback on spirits distilled from molasses, exported out of the United States, of three cents per gallon; and

A clause to remit the duties which accrued in the time that elapsed between the impost law taking place, and the officers of the United States entering on their office, and to refund those duties which were paid on account of the United States, under such circumstances.

On motion of Mr. LAWRENCE, a clause was added, laying a duty of — cents on foreign cables, cordage, yarns, &c.

On motion on Mr. BROWN, a duty of one cent per pound was laid on bar and all other lead imported.

On motion of Mr. WADSWORTH, an additional duty of five per cent. was laid on all colored cotton goods of foreign manufacture.

On motion of Mr. FITZSIMONS, a clause was added, to repeal the section of the impost law

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*United States and Individual States.*

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which limits its duration to the year 1796, and to continue that and the new impost till the sums for which the respective duties are laid, shall be discharged; also, to empower the Legislature of the United States to establish other funds of equal value, in case the present should be found inconvenient or unproductive.

It was ordered that the bill be engrossed for a third reading on Monday next.

SATURDAY, July 17.

#### COLLECTION OF DUTIES.

The engrossed bill to regulate the collection of duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels, was read the third time and passed.

Mr. WILLIAMSON presented a bill for the relief of disabled soldiers and seamen, and of certain other persons, lately in the service of the United States, and was twice read and committed.

MONDAY, July 19.

#### PUBLIC DEBT.

The engrossed bill further to provide for the payment of the debts of the United States, was read the third time, and the blanks filled up.

The time for the commencement of the act was fixed at the first day of January next.

Duty on imported cables, 150 cents for every 112 lb.; duty on tarred cordage, 150 cents for every 112 lb.; duty on untarred cordage and yarns, 180 cents for every 112 lb.; duty on twine and packthread, 400 cents for every 112 lb.

The blanks being filled up, the question was, shall this bill pass? On this,

Mr. SEDGWICK called for the yeas and nays, which are as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Cadwalader, Carroll, Clymer, Coles, Contee, Fitzsimons, Floyd, Gilman, Hartley, Heister, Huntington, Jackson, Livermore, Lawrence, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Rensselaer, Scott, Seney, Sevier, Sherman, Sylvester, Sinnickson, Steele, Sturges, Sumter, Vining, White, Williamson, Wynkoop.—40.

NAYS.—Messrs. Ames, Benson, Foster, Gale, Gerry, Goodhue, Grout, Sedgwick, Smith, of Maryland, Smith, of South Carolina, Thatcher, Trumbull, Wadsworth.—15.

Mr. MADISON, from the Committee of Conference on the bill to regulate trade and intercourse with the Indian tribes, from which the Senate had agreed to strike out the fourth section, and which amendment the House had disagreed to, reported on behalf of the committee that the House should recede from their disagreement; it was moved that the House should accept this report, and recede; the question being put, it passed in the affirmative.

#### DISABLED SEAMEN AND SOLDIERS.

The House resolved itself into a Committee

of the whole on the bill for the relief of disabled soldiers and seamen, and of certain other persons, lately in the service of the United States, Mr. SENEY in the chair. The committee made sundry amendments to the bill, which they reported. The House also made other amendments, and the bill was then ordered to lie on the table.

#### OFFICERS AND SOLDIERS VIRGINIA LINE.

The House then went into a committee on the bill to enable the officers and soldiers of the Virginia line on Continental establishment, to obtain titles to certain lands lying north-west of the river Ohio, Mr. SENEY in the chair. The committee reported the bill without amendment, and it was ordered to be engrossed for a third reading.

#### FEES OF CONSULS.

The House then went into a committee on the bill for establishing the fees and perquisites of Consuls and Vice Consuls, Mr. SENEY in the chair. After some discussion of this bill, the committee rose and obtained leave to sit again.

A message from the Senate informed the House that they have passed the bill for establishing light-houses, beacons, and public piers.

TUESDAY, July 20.

#### OFFICERS AND SOLDIERS VIRGINIA LINE.

The engrossed bill to enable the officers and soldiers of the Virginia line, on Continental establishment, to obtain titles to certain lands lying north-west of the river Ohio, was read the third time and passed.

#### FEES OF CONSULS.

The House again went into a committee on the bill for establishing the fees and perquisites of Consuls and Vice Consuls, Mr. BOUDINOT in the chair.

On motion of Mr. MADISON, a proviso was added, authorizing the President of the United States to appoint one or more Consuls on the coast of Barbary, at a salary of nine thousand dollars per annum.

The committee having finished the discussion of the bill, and agreed to sundry amendments, rose and reported the same.

The House further amended the bill, and it was then ordered to be engrossed for a third reading to-morrow.

WEDNESDAY, July 21.

#### FEES OF CONSULS.

The engrossed bill for establishing the fees and perquisites to be received by Consuls and Vice Consuls of the United States in foreign parts, and for other purposes therein mentioned, was read the third time and passed.

#### U. STATES AND INDIVIDUAL STATES.

Mr. SEDGWICK, from the Managers appointed on the part of this House to attend the conference with the Senate, on the subject matter of the

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amendments depending between the two Houses, on the bill providing for the settlement of accounts between the United States and the individual States, reported certain amendments that it would be proper to make in the said bill; the House took the report into consideration, and agreed to the same with a small alteration.

A message was received from the Senate, that they had passed the funding bill, with sundry amendments, which amendments were made the order of the day for to-morrow.

**THURSDAY, July 22.  
COASTING TRADE.**

Mr. GOODHUE, from the committee appointed for the purpose, presented a bill for registering ships or vessels, for regulating those employed in the coasting trade and fisheries, and for other purposes, which was twice read and committed.

The SPEAKER laid before the House a letter from the Secretary of the Treasury, covering his report for a uniform system for the disposition of lands, the property of the United States, made pursuant to an order of the House of the 20th of January last, which were read and ordered to lie on the table.

**GENERAL POST-OFFICE.**

Mr. GERRY, from the Managers appointed on the part of this House to attend a conference with the Senate on the subject-matter of the amendments depending between the two Houses to the bill to establish the Post-office and post roads within the United States, made a report.

The first amendment of the Senate the committee on the part of the House did not agree to. This amendment was to invest the Post-master General with the power to establish the cross post roads. Mr. HARTLEY moved that the House should adhere to their disagreement; this was seconded by Mr. BLOODWORTH.

A considerable debate ensued on this motion, which was finally carried in the affirmative, the yeas and nays being as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Clymer, Coles, Contee, Fitzsimons, Floyd, Gale, Gerry, Griffin, Hartley, Heister, Huntington, Jackson, Livermore, Madison, Matthews, Muhlenberg, Page, Parker, Scott, Seney, Sevier, Sherman, Sylvester, Steele, Stone, Sturges, Sumter, Tucker, Vining, White.—35.

NAYS.—Messrs. Ames, Benson, Boudinot, Cadwallader, Foster, Gilman, Goodhue, Grout, Lawrence, Leonard, Partridge, Rensselaer, Schureman, Sedgwick, Smith, of Maryland, Smith, of South Carolina, Thatcher, Trumbull, Wadsworth, Wynkoop.—20.

The other amendments were agreed to.

The House then took up the amendments of the Senate to the funding bill, and made some progress therein.

**FRIDAY, July 23.  
PUBLIC DEBT.**

The House resumed the consideration of the amendments proposed by the Senate to the bill making provision for the debts of the United States.

On motion of Mr. GERRY, the interest on Indents was raised from three to four per cent. per annum.

The term of "ten years," the proposed period at which one-third of the principal was to be funded, was altered to seven years. These, with the rate of redemption, at eight dollars per annum on account of principal and interest, which the Senate proposed should be at seven dollars per annum, were all the alterations made by the House this day.

On the proposition for the assumption of the State debts being read,

Mr. JACKSON moved that the amendment of the Senate respecting the assumption of the State debts should be disagreed to.

In support of his motion, he said it is with great reluctance I rise again on the question before the House—a measure which has not only agitated this Legislature, but has more or less convulsed the whole people of the United States. It has elated speculators and State brokers, whilst it has depressed three-fourths of the honest part of the community. It has held out alluring prospects and fortunes to the one, whilst it has blasted and withered the just expectations of the other. It has, in short, been the centre-pin of visionary projectors and interested men, whilst its future effects have been viewed with horror by disinterested minds.

To give a history of this important question, (for important, however wicked, it certainly is,) would be to tax Congress with the most extreme inconsistencies. Repeatedly has the question been decided, and repeatedly negatived; and as the principle was first originated without reference, the same stubborn disposition is manifest, notwithstanding the repeated determinations of the House. The forms of Proteus have been assumed, and the forms of Proteus have been defeated here; but a new shape is not still wanting to aid the perseverance of the East. The Senate of the United States, a power not known to, nor chosen by, the people, have undertaken to load the citizens of the United States with an enormous debt.

I will not appeal to the passions; but I call on the House, as the Representatives of the people, as the guardians of their liberties, to resist this encroachment on their constitutional rights; they will expect it, and if the principle is established at present, there is no knowing to what length it may be carried in future. As well might the Senate, under color of an amendment, have inserted the whole funding system in an appropriation bill, as have inserted this new principle in the bill before the House. It may be advanced that it is no money bill, that there are no ways and means, no taxes or burthens imposed on the people. To interested men, and persons who would not look beyond the surface, this reasoning might appear just; but I would ask, if the taxes and burthens, the ways and means, must not follow—pass this

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principle in the bill, and the public faith is bound; neglect to provide for it, and you lay the Government open to insult.

But setting this encroachment of the Senate from our view for the present moment, I have no objection to consider the question on its own merits. Nothing which I have yet heard has convinced me of its propriety. The accumulation of an immense debt ought to be founded in more than perseverance for its basis; it ought to have justice for its groundwork, and policy for its superstructure.

The question of justice has been subservient to both sides of the House; but the great rules, the leading features of justice, have not been answered, if they have been attempted. Where, I again demand, is the justice of compelling a State which has taxed her citizens for the sinking of her debt, to pay another proportion, not of her own, but the debts of other States, which have made no exertions whatever?

If this assumption had taken place at the conclusion of the war, the principle would have been more just than at present, because then none of the States had made exertions to relieve themselves from debt, and they were nearer on an equality; but even then it would not have been on perfect terms of justice; the situations of the State, and their charges, were not the same.

But, sir, suppose the accounts settled at the close of the war, how would the expenses of the war have been proportioned? Not agreeably to the present ratio of representation will be allowed me. How then? Why, by the ratio of existing requisitions, or nearly so, and Georgia would have paid the one-ninetieth part of the whole debt; whereas, at present, she is bound for the one twenty-second part. But now, sir, even the ratio of representation is to be overleaped by the present scheme of the assumption, and by a calculation of the quota, she will pay upwards of 600,000 dollars more than she will be benefited by. New Hampshire and Georgia ought to receive, if a just quota was allowed as their sixty-fifth parts of the 21,000,000 dollars, 969,231 dollars each; they are, by the system before the House, to receive but 300,000 dollars each, which makes a deficiency of 669,231 dollars of their proportion of the amount which is to benefit other States, and the citizens of New Hampshire and Georgia are to pay it. Can this House expect that they will quietly submit to it? If the citizens of New Hampshire are disposed to be easy under the imposition, I do not believe the citizens of the State of Georgia will be contented. Let us examine some of the other States. Massachusetts is to receive of the sum 4,000,000 dollars; her just quota of the sum would be 2,646,153 dollars, or thereabouts, enjoying an excess in her favor of 1,353,846 dollars. South Carolina has still a greater excess, she is to receive 4,000,000 dollars; her quota of the sum would be 1,653,846 dollars and some cents; the excess in her favor will be 2,346,153 dollars. North Carolina has

an excess of 746,153 dollars, where she has not asked it, and where the State and her Representatives are averse to the measure. What, sir, I will ask, is this for? Is it by way of gift or douceur? I know her Representatives to be too honest, too steady to their trust to be bribed. Georgia and New Hampshire are, however, not the only States which will suffer; New York and Maryland will likewise be injured. The former is to receive 1,200,000 dollars; her just quota would be 1,904,615 dollars; there will be a deficiency, therefore, of 784,615 dollars. The deficiency of Maryland is much greater, she is to receive but 800,000 dollars, and the deficiency from the amount of her just quota will be 1,184,615 dollars. One State, Pennsylvania, has a million allowed her above the amount of her debt. So that some of the States are to be doubly, and some trebly taxed, for the benefit of others. I will here, sir, appeal to the same moral sense with the gentleman from Massachusetts, (Mr. AMES,) to the same rectitude of the heart, and I will confidently demand from him if you can impose this burthen on the States and call it equality; if you can adopt the assumption and call it justice.

I consider the State which made exertions, as I mentioned on a former day, to have paid off so much of its proportion of these debts, whether called the debts of the States or the debts of the Union. If State debts, no State ought to pay the debts of other States; if they are the debts of the Union, then has the State which has exerted itself and paid off its own debt, contributed its proportion, and ought not to pay a second time.

A gentleman from Connecticut has analyzed the argument in favor of the measure. As I think them of as much weight as any that have been advanced, I will notice a few of them as well as my small ability will permit. That gentleman's first argument is, that the debts were contracted on behalf and for the benefit of the United States, and that therefore justice requires they should be assumed. On this principle, the gentleman has endeavored to prove that the debts are of the same nature, and, in fact, the debts of the United States. The very term, however, which he uses, of State debts, must convince him they are so; his explanation with a gentleman from Massachusetts, (Mr. GERRY,) why they were not inserted in the Constitution, has convinced me that they were not respected as the debts of the Union by the Convention. The Convention met, and the Constitution was formed for the restoration of public credit, and if the State debts were a part of the debt of the Union, provision would have been made for them. But, sir, if the Convention had no power to insert them in the Constitution, whence all our powers are derived, neither, sir, have we a power, under that Constitution, to provide for the payment of them. Neither are those debts of the same nature with that of the United States. The same scruti-

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nizing eye hath not pervaded the respective States. Some States, in expectation of being the paymasters themselves, have dealt with a rigid parsimony; others have been as extravagantly liberal. Some have allowed regiments of officers to their militia without men, whilst others have reduced their officers to a grinding situation. Some have allowed large bounties and pay, as has been the case with some of the States who complain most, whilst others have scarcely allowed bounty or pay at all. Many of the charges of individual States would be rejected; whilst others, which the States have rejected, would be allowed. The difference is very great, and as clear as the day, and none but interested individuals can prevent discerning it.

The second argument of the gentleman is, that some States have taken upon themselves greater sums than their proportions or abilities will pay.

This, sir, I think doubtful; nor can it be ascertained but by a settlement of accounts which alone can determine. But, sir, let us examine, on the principles of equity, the claims of the two States which complain the most—Massachusetts and South Carolina. The former has, it is said, greatly exceeded her quota. The fair method to judge of this is, to compare her exertions, during the war, with her ability. This solid principle of judging has been lost sight of, although contended for when the bill for the settlement of accounts was before the House. At the commencement of the war, there is no doubt that the citizens of Massachusetts, in and near Boston, suffered considerably; but from the evacuation of that city to the end of the war, she felt the advantages rather than the disadvantages of war. She carried on the medium of commerce for the Union—her merchants, and her country, of course, would be enriched; she became enabled, therefore, to make greater exertions, and no doubt did her part. Contrast this with some others of the States. Overrun by the enemy—houses and plantations destroyed—commerce arrested—merchants and citizens totally ruined, and the most opulent families beggared. I will leave to the gentlemen from Massachusetts themselves, I will appeal to their candor, to determine, if their debt was double the amount, which was the better fate!

South Carolina I shall, however, be told, is on the other side; and, in a great measure, I will grant it.

The difficulties of that State have been great, the merits of her citizens many, and her sufferings out of proportion with most, but not all of the States. North Carolina and New Jersey suffered nearly as much, and Georgia more. A great proportion of the wealth of South Carolina was preserved by persons who took protection, or who resided in Europe the greatest part of the war. This was not the case with Georgia; her citizens were totally beggared, and her country left a wild uninhabited desert—few of

those who took protection remaining. That wealth preserved, left South Carolina yet in a state of affluence. She would, in the former Congress, have felt herself insulted, if she had been considered second in resource to any State in the Union. She is as great now in resource, and I believe that I speak with justice, when I advance, that three-fourths of the back inhabitants of that State are opposed to the measure. Sir, they are republicans, who have fought and bled for the cause of liberty, and know the value of it. I know and regard them as such, and although I wish not to wound the feelings of any gentleman present, I assert that they will see through this thin veiled artifice to take their portion of State power from them, and they will feel that continual drain of specie which must take place to satisfy the appetites of basking speculators at the seat of Government.

The third argument is, that the funds out of which those debts ought to be paid, are, by the Constitution, put under the direction of the Federal Government, and this done by the people for the express purpose of paying the debts of the United States, of which these are a part.

This argument is in a great measure done away. Congress have rejected the excise as impolitic and improper; the impost alone is taken, and this is not grumbled at; the States gave it years ago, when the payment of State debts was not thought of. The journal the gentleman has referred to does not include the State debts; the impost of five per cent. was required from the States for the payment of the real debts of the Union; suppose all the States had agreed to that measure, would not they still have paid their own debts?

The fourth argument, that imposts and excises can be best managed under one direction, falls with the third; excises are rejected, and I hope the House have no intention of bringing them forward again. I trust that Congress will not be like the Long Parliament—foster them in secret, while they openly disavow them.

The fifth argument of the gentleman, if it is not fully refuted by my reply to his first and second, can be easily accomplished. It is, that equal justice ought to be done to all the creditors; but this cannot be done by individual States, some of them being unable to make provision, burthened beyond their quota, and deprived of former revenues.

By the present mode the argument is defeated, for the creditors are not on a footing—the whole is not assumed—a proportion will therefore still be left to the mercy of the States, which may be as backward in their payment now as formerly. Without the assumption at all, the distinction was not hard to be borne. It was to be borne. It was only between the State creditors and those of the Union. At present, the distinction is between the same State creditors—those who will benefit are the speculators near the seat of Government; and those near the Commissioners; whilst those at a



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distance, and who, probably, are the only original holders, will not be benefited. The creditors of one State are not even on a footing with those of another. Massachusetts, South and North Carolina, have the one-half of 21,000,000 dollars allotted them—the two former have nearly their whole debt. I will call on gentlemen to know if any within this House can suppose they have a balance of 10,000,000 dollars due them? The amount of the debt of Georgia is more than was supposed, it amounts to 700,000 dollars—300,000 of which are only to be assumed. If the measure was wise, the whole ought to be assumed.

I am not for this partial method; either the assumption ought to be proportioned to the representation, or taken generally, or certificates ought to issue to the States for what they have sunk, as to individuals.

The sixth argument is, that the measure is founded in good policy, as well as justice, as it will promote harmony among creditors and different States, attach them to the Government, and facilitate operations.

That it is not founded in justice I think has been pretty well shown. Its policy was clearly proved, at a former day, to have been a consolidation of the Government; and, sir, I believe, with it, a consolidation of the people's liberties. The object certainly was the absorbing the whole of the State powers within the vortex of the all-devouring General Government; seven years were we fighting to establish props for liberty, and in less than two years since the adoption of the Constitution are we trying to kick them all away, and he is the ablest politician, and the best man of the day, who can do most to destroy the child of liberty of his own raising. A friend, sir, to the State Governments, or the liberties of the people, is as much lost at the present day, as if he had belonged to the last century, and had a resurrection in the present age.

But, sir, if so much of this patriotism is lost near the seat of Government, let us not suppose that it is the case with the whole of the United States. The States will not tamely submit to a measure calculated to distress, and manifestly founded in injustice and the ruin of the State Governments. So far will it be from producing the harmony the gentleman has supposed, that I think I can venture to prophesy it will occasion discord, and generate rancor against the Union. For if it benefits one part of the United States it oppresses another. If it lulls the *Shays* of the North it will rouse the *Sullivans* of the South.

The more checks there are to any Government, the more free will its citizens be. The State powers are a most effectual and necessary check against encroachments from the Government of the Union. The assumption, by annihilating the powers of the State Governments, will prove a decisive and fatal stroke at that check.

A gentleman from Massachusetts (Mr. AMES)

has asked if the tendency of this measure will be to evil, rather than to common benefit? He is of the latter opinion, although he allows this to be a vague question. If, sir, the question is vague or dubious surely he will not adopt it. He says, however, that it will prevent interference between the State Governments and that of the Union, and prevent the usurpation of one upon the other.

That it will prevent usurpation is a fact I will grant the gentleman; for, sir, if the assumption takes place, there will be nothing left to usurp. The States will be deprived of every thing but the shadow of power; they will be reduced to the state of mere colonies, with not even the power they possessed previous to the revolution.

That gentleman has likewise told us of the protection the measure would enable the Government of the Union to afford the respective States. Sir, if we were under the Government of a despotic Prince, I suppose that we should be well protected against foreign tyrants, but how should we be protected against himself? We should lay at his mercy, and become his property. The gentleman's argument, therefore, goes too far, when it tends to prove the more power we give the Government the better we shall be protected. Sir, the competition, so far from being an injury, is, in my opinion, a benefit; jealousies are necessary in all free countries, and as long as those jealousies exist, the people will be safe; whether, therefore, the State Governments are to be considered as rivals, watchmen, or legislators, State powers are absolutely necessary.

The gentleman from Connecticut has noticed an argument respecting the ratio of contribution by impost, and has alluded to the Journal of Congress of the 29th of April, 1783, where, he says, it is clearly proved that the States contribute to impost according to the number of inhabitants. The gentleman from Massachusetts has likewise noticed this. I grant those gentlemen that the consumer pays, but I deny that the States pay agreeably to population—they contribute, sir, agreeably to habit. Connecticut manufactures a great deal, and she imports little. Georgia manufactures nothing, and imports every thing. Therefore Georgia, although her population is not near so large, contributes more to the public Treasury by impost.

But admitting the force of the gentleman's arguments, and let it be fixed at population—yet, sir, on the principles of justice, the arguments, so far as respects the assumption, must fail. Impost, as well as all other taxes, is an imposition, and only to be permitted in cases of necessity, or where preservation to Government requires it; it is an actual encroachment on the people's rights in any other view. Vattel, the celebrated writer on the laws of nations, calls the freedom of commerce a natural right, and says, that instead of burthens and restrictions, it is the duty of all nations to give it

the utmost freedom, and that restrictions can only be justified on very important reasons, arising from the public good.

In America, that necessity has originated from the public debt, and the necessity will remain as long as the public debt exists. Add to that debt, and you add to the necessity; go on in that ratio, and you may keep the necessity for ever. But, sir, shall we, to strengthen the Government, add to our debts, and injure the people?

It has, however, been advanced, that the citizens have given this into our hands; that we are in the exercise of it, and it has been implied that we shall always keep it. The gentlemen who use this language know not the people of America. Sir, it is expected, and I hope never will be lost sight of, that when the necessity is at an end the duties will be taken off. Besides, is the impost more in our power than the excise, or direct taxation? The one is equally given us with the other, and carry the idea of impost as far as some gentlemen wish it, and you may carry direct taxation as far. We are not confined in our powers, and if Congress choose to tax the citizens to the whole amount of their estates, there is power sufficient in the Constitution to warrant it. But, sir, would the citizens submit to it? So far am I from agreeing with the gentlemen, that I can assure them it was expected that the States would have been credited for the imposts they furnished.

The gentleman from Connecticut has noticed an argument of mine respecting the debt of Georgia; but he has not refuted the justice of it. He says it is an additional reason for assuming. Sir, I do not believe that there are twenty original holders in Georgia; the original holders received no interest, nor did they expect any; they parted with the certificates as they stood, without interest; the speculators now hold them, and contrary to the tenor of the certificates, the intention of the State, and the contract they made, they will be allowed interest. Here will be a prodigious distinction, the one-half of the creditors of Georgia receiving interest, the others none; how is this to be reconciled? Besides, sir, the debt will be increased one-half; there will be an additional debt, if interest is allowed on the whole, of 350,000 dollars, supposing the debt to amount to 700,000 dollars; will the original holder who did the service, or furnished the supply, be contented to be taxed to supply this interest, when he himself was not allowed it?

Another argument arises now against the measure, which did not exist at a former day—the excise, which had begun to set the Continent in a flame, has been rejected. Are there members hardy enough to adopt and sanction it now, after they have exerted themselves against it? For this must be the case, or it will be again rejected. Will this House, as I before mentioned, be like the Long Parliament of England,

who first adopted the measure—will they foster it in secret, while they apparently reject it? Where else, I ask, are the ways and means to satisfy this accumulated debt? Your impost is stretched to the utmost; if you go further, you will not only oppress the people, but lose your revenue. Will you proceed to direct taxation? We have been informed that the people will not submit to it.

If the House, sir, will not submit to the voice of reason, and are determined to assume, still, sir, I insist that this is not the period. The respective States ought to be consulted, and the measure should appear the result, not of party or bargain, but the result of deliberation, which all our measures at the least ought to wear the appearance of. It will appear to be the former, if adopted now, after so many decisions. Even in Massachusetts, let us listen to the warnings of a *Hancock*, that father of 1776, who, by his signature, first pronounced you a free nation—hear the venerable patriot expressing his doubts of the powers of Congress in this respect, without the consent of the respective States first obtained. Her Legislature, in compliance, instructed their Senators and Representatives; this was done, although we were told on this floor, about that time, that the country was overloaded with debt, and her citizens borne down with the weight of taxes. What other States have done the same? None but South Carolina; so that the two States only which are interested in this business, have received instructions from their Legislatures. Let me ask this House, if those two States have received instructions, where so much interested, if the other States should not also be consulted, and where they are to receive no benefit from the measure? I request the House to think of the evil consequences of it before it is too late, and at least to postpone it until the next session. If it is good now, it will be good then. If it is not adopted now, it can be then; but if it is assumed at the present session, we shall be bound without the power of relieving ourselves again from the burthen. Let us not exhibit a monument to mankind of the impossibility of preserving republican manners by aping European nations, and laying the foundation of our Government in immense debts. Sir, our terms of service, happily I believe for the country, are near expiring. We shall return to the mass of the people, and participate in the burthens we impose. When the cool hour of investigation arrives, happy indeed will it be for us if, amidst the murmur of an oppressed people, we have not to say, in self condemnation, I too have been guilty of bringing this load of sin on the nation, and this load of fetters on the people. America, sir, will not always think as is the fashion of the present day; and when the iron hand of tyranny is felt, denunciations will fall on those who, by imposing this enormous and iniquitous debt, will beggar the people and bind them in chains.

JULY 26, 1790.]

Public Debt.

[H. OF R.]

SATURDAY, July 24.

## U. STATES AND INDIVIDUAL STATES.

A message from the Senate informs the House, that they recede from some, and agree to the amendments proposed by this House to other of their amendments to the bill to provide more effectually for the settlement of the accounts between the United States and the individual States. Of course the bill has passed both Houses.

## PUBLIC DEBT.

The House resumed the consideration of the amendment proposed by the Senate to the bill making provision for the debt of the United States.

Mr. JACKSON's motion to disagree to the proposition for the assumption of the State debts, being under consideration, after debate, the question for rejecting the proposition was taken and negatived, as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Coles, Contee, Floyd, Griffin, Gilman, Hartley, Hathorn, Heister, Jackson, Livermore, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Van Rensselaer, Scott, Seney, Seyier, Smith, (of Md.) Steele, Stone, Sumter, Williamson.—29.

NAYS.—Messrs. Ames, Benson, Boudinot, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Foster, Gale, Gerry, Goodhue, Grout, Huntington, Lawrence, Lee, Leonard, Partridge, Schureman, Sedgwick, Sherman, Sylvester, Sinnickson, Smith, of S. C. Sturges, Thatcher, Trumbull, Tucker, Vining, Wadsworth, White, Wynkoop.—32.

Several motions were then made to amend the proposition, none of which were agreed to.

MONDAY, July 26.

## PUBLIC DEBT.

The House resumed the consideration of the amendments proposed by the Senate to the bill making provision for the debt of the United States: Whereupon,

The last amendment, for adding to the end of the bill sundry clauses "making a provision for the debts of the respective States," being under consideration,

A motion was made and seconded to amend the said amendment by adding to the end of the first clause or section thereof, the following proviso, to wit:

"Provided always, and be it further enacted, That if the total amount of the sums which shall be subscribed to the said loan in the debt of any State, within the time limited for receiving subscription thereto, shall exceed the sum by this act allowed to be subscribed within such State, the certificates and credits granted to their respective subscribers, shall bear such proportion to the sums by them respectively subscribed, as the total amount of the said sums shall bear to the whole sum so allowed, to be subscribed in the debt of such State within the same; and every subscriber to the said loan shall, at the time of subscribing, deposit with the Commissioner the certificates or notes to be loaned by him."

And on the question thereupon, it was resolved in the affirmative.

Another motion was then made and seconded further to amend the said amendment, by adding to the end of the said first clause or section thereof, the following proviso:

"And provided, That the original holders of certificates in the several States shall have the exclusive right of subscribing for the space of six months from the time in which the offices shall be opened in the States respectively, and that the whole of their claims shall be funded."

And on the question thereupon, it passed in the negative:

YEAS.—Messrs. Ashe, Bloodworth, Brown, Coles, Jackson, Madison, Mathews, P. Muhlenberg, Page, Parker, Scott, Seney, Steele, Sumter, and Williamson.—15.

NAYS.—Messrs. Ames, Baldwin, Benson, Boudinot, Burke, Cadwalader, Carroll, Clymer, Contee, Fitzsimons, Floyd, Foster, Gale, Gerry, Gilman, Goodhue, Griffin, Grout, Hartley, Hathorn, Huger, Huntington, Lee, Leonard, Livermore, Moore, Partridge, Van Rensselaer, Schureman, Sedgwick, Sevier, Sherman, Sylvester, Sinnickson, Smith, (of Md.) Smith, (of S. C.) Stone, Sturges, Thatcher, Trumbull, Tucker, Vining, Wadsworth, White, and Wynkoop.—45:

Resolved, That the second clause or section of the said amendment be amended as followeth:

Line thirteenth, strike out "seven," and insert "eight."

Lines eighteenth and nineteenth, strike out "twenty-six dollars and eighty-eight cents," and insert "thirty-three dollars and one-third of a dollar."

Line twenty-first, strike out "eight hundred," and insert "seven hundred and ninety-seven."

Line twenty-fifth, strike out "seven," and insert "eight."

Line thirty-first, strike out "three," and insert "four."

A motion was then made to amend said amendment by striking out the fourth section thereof, which section provides that if the whole sum allowed to be subscribed in the debt or certificates of any State, shall not be subscribed within the time limited, such State shall be entitled to receive from the United States an interest upon so much of such sum as shall not have been subscribed, equal to that which would have accrued on the deficiency had the same been subscribed, in trust for the non-subscribing creditors of such State who are holders of certificates or notes, &c.

This motion was negatived, 47 votes to 13.

The yeas and nays are as follows:

YEAS.—Messrs. Baldwin, Bloodworth, Brown, Coles, Contee, Gilman, Jackson, Livermore, Mathews, Moore, Van Rensselaer, Sevier, and Williamson.—13.

NAYS.—Messrs. Ashe, Ames, Benson, Boudinot, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Floyd, Foster, Gale, Gerry, Goodhue, Griffin, Grout, Hartley, Hathorn, Heister, Huntington, Lawrence, Lee, Leonard, Madison, P. Muhlenberg, Page, Parker, Schureman, Sedgwick, Seney, Sherman, Sylvester, Sinnickson, Smith, (of Md.) Smith, (of S. C.) Steele, Stone, Sturges, Sumter, Thatcher, Trum-

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*Temporary Residence of Congress.*

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bull, Tucker, Vining, Wadsworth, White, and Wynkoop.—47.

And then the main question being put, that the House do agree to the last amendment proposed by the Senate, for adding to the end of said bill sundry clauses "making a provision for the debts of the respective States," as now amended, it was carried in the affirmative by 34 votes to 28.

The yeas and nays being as follows:

**YEAS.**—Messrs. Ames, Benson, Boudinot, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Foster, Gale, Gerry, Goodhue, Grout, Huger, Huntington, Lawrence, Lee, Leonard, Partridge, Schureman, Sedgwick, Sherman, Sylvester, Sinnickson, Smith, (of S. C.) Sturges, Sumter, Thatcher, Trumbull, Tucker, Vining, Wadsworth, White, and Wynkoop.—34.

**NAYS.**—Messrs. Ashe, Baldwin, Bloodworth, Brown, Coles, Contee, Floyd, Gilman, Griffin, Hartley, Hathorn, Heister, Jackson, Livermore, Madison, Mathews, Moore, P. Muhlenberg, Page, Parker, Van Rensselaer, Scott, Sevier, Seney, Smith, (of Md.) Steele, Stone, and Williamson.—28.

#### POST-OFFICE BILL.

A message was received from the Senate, informing the House that they insist on their first amendment to the Post-office bill. By which the bill is lost.

#### TEMPORARY RESIDENCE OF CONGRESS.

Mr. BLOODWORTH gave notice to the House that he would, to-morrow, move for a suspension of part of the bill respecting the temporary residence of Congress.

TUESDAY, July 27.

*Ordered,* That the further consideration of the bill for registering ships or vessels, for regulating those employed in the coasting trade and fisheries, and for other purposes, be postponed until the next session of Congress.

#### DISABLED SOLDIERS AND SEAMEN.

The House proceeded to consider the amendments reported by a Committee of the whole House to the bill for the relief of disabled soldiers and seamen, and of certain other persons, lately in the service of the United States, which lay on the table, and being agreed to, the bill was ordered to be engrossed for a third reading.

WEDNESDAY, July 28.

#### DISABLED SOLDIERS AND SEAMEN.

The engrossed bill for the relief of disabled soldiers and seamen, and of certain other persons, lately in the service of the United States, was read the third time, and passed.

#### COLLECTION OF DUTIES.

A message from the Senate informed the House, that they have passed the bill to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels, with several

amendments; to which they desire the concurrence of this House.

These amendments were taken up and agreed to.

#### GENERAL POST-OFFICE.

*Ordered,* That a committee be appointed to bring in a bill, to continue in force, for a limited time, the act for the temporary establishment of the Post-office. Messrs. SEDGWICK, SMITH, (of S. C.) and HUNTINGTON, were named as the committee.

Mr. SEDGWICK accordingly presented a bill to continue in force, for a limited time, the act for the temporary establishment of the Post-office, which was twice read, and ordered to be engrossed, and read the third time to-morrow.

#### PUBLIC LANDS.

*Ordered,* That the Report of the Secretary of the Treasury of a uniform system for the disposition of lands, the property of the United States, be referred to the committee of the whole on the state of the Union.

THURSDAY, July 29.

#### GENERAL POST-OFFICE.

The engrossed bill to continue in force, for a limited time, the act for the temporary establishment of the Post-office, was read the third time, and passed.

#### AMENDMENTS TO THE CONSTITUTION.

Mr. STEELE, from the committee appointed to examine into the proceedings of the several States on the subject of the amendments proposed by Congress to the Constitution of the United States, reported, in substance, as follows:

New Hampshire and New York accepted all the articles but the second.

Pennsylvania passed over in silence the first and second articles, and accepted the rest.

Delaware postponed the first article.

Maryland, South and North Carolina, and Rhode Island, ratified the whole. So that it appears the first article has been agreed to by six States; the second by five; and all the others by eight.

#### TEMPORARY RESIDENCE OF CONGRESS.

Mr. VINING moved that the motion of Mr. BLOODWORTH for leave to bring in a bill to repeal the fifth section of the residence law, should be taken into consideration.

Mr. BLOODWORTH wished the motion might be suspended. He said that he did not mean to call it up to-day; and, therefore, had not prepared himself to state his reasons fully for introducing it.

Mr. VINING observed, that the motion was in possession of the House, and any member had a right to call it up.

Mr. LAWRENCE contended, that it was very extraordinary that a motion brought forward by one gentleman should be called up by another, contrary to the wish of the member who made

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*Widow of General Stirling.*

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it. He thought it was contrary to the rules of the House.

Some further altercation ensued, in which MESSRS. VINING, GERRY, BLOODWORTH, and LEE spoke.

Mr. BLOODWORTH finally withdrew his motion for the present.

## PUBLIC DEBTS.

A message from the Senate informed the House, that they agree to some, and disagree to others of the amendments proposed by this House to their amendments to the bill making provision for the debt of the United States.

The House proceeded to consider this message.

After some debate, the House receded from their amendments, and agreed to those of the Senate. Of course, the bill has passed both Houses.

The interest on indents, and on one-third of the State debts is fixed at three per cent. per annum.

The first article of disagreement was in respect to the time when interest shall commence on the deferred part of the principal. The House proposed seven years; the Senate adhered to ten.

The motion for receding was opposed by MESSRS. LAWRENCE, GERRY, AMES, and SENEY; and supported by MESSRS. SEDGWICK, FITZSIMONS, SHERMAN, WILLIAMSON, STONE, and LEE; and, on the question, Mr. LAWRENCE called for the yeas and nays, which are as follows:

YEAS.—Messrs. Ashe, Baldwin, Brown, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Floyd, Gale, Goodhue, Griffin, Grout, Hartley, Heister, Huger, Huntington, Lee, Leonard, Livermore, Muhlenberg, Partridge, Scott, Sedgwick, Sherman, Sinnickson, Smith, (of S. C.) Stone, Thatcher, Tucker, Vining, Williamson, and Wynkoop.—33.

NAYS.—Messrs. Ames, Benson, Bloodworth, Contee, Colles, Foster, Gerry, Gilman, Hathorn, Jackson, Lawrence, Madison, Matthews, Moore, Page, Parker, Van Rensselaer, Schureman, Seney, Sevier, Sylvester, Smith, (of Md.) Steele, Sturges, Sumter, Trumbull, and White.—27.

The next article of disagreement was, the interest on indents. The House proposed four per cent. The Senate adhered to their proposition for three. The motion for receding was determined by yeas and nays, as follows, viz:

YEAS.—Messrs. Ashe, Baldwin, Brown, Burke, Cadwalader, Carroll, Clymer, Fitzsimons, Floyd, Gale, Goodhue, Grout, Hartley, Heister, Huger, Huntington, Lee, Leonard, Livermore, P. Mahlenberg, Partridge, Schureman, Scott, Sedgwick, Sherman, Sylvester, Sinnickson, Smith, (of S. C.) Stone, Thatcher, Tucker, Williamson, and Wynkoop.—33.

NAYS.—Messrs. Ames, Benson, Bloodworth, Colles, Contee, Foster, Gerry, Gilman, Griffin, Hathorn, Jackson, Lawrence, Madison, Matthews, Moore, Page, Parker, Van Rensselaer, Seney, Sevier, Smith, (of Md.) Steele, Sturges, Sumter, Trumbull, Vining, and White.—27.

Similar amendments followed of course in re-

spect to the assumed part of the debt; which were agreed to. Previous to which, Mr. PARKER moved that the further consideration of the amendments to the funding bill should be deferred to the next session. This motion was determined not to be in order.

FRIDAY, July 30.

## GENERAL POST-OFFICE.

The Senate, by message, informed the House, that they had passed the bill to continue in force, for a limited time, the act for the temporary establishment of the Post-office.

## WIDOW OF GENERAL GREENE.

The Report on the petition of Catharine Greene, widow of the late General Greene, was read the second time, and, on motion, referred to the Secretary of the Treasury. The Report is favorable to the prayer of the petition, so far as to indemnify the heirs of General Greene from demands arising from engagements and contracts made by him on account of the United States.

The House resolved itself into a Committee of the whole on the state of the Union, Mr. SENEY in the chair.

## PUBLIC LANDS.

The Report of the Secretary of the Treasury on a plan for the disposition of the public lands in the Western Territory being under consideration, some discussion took place; but not getting through the subject, the committee rose, and reported progress.

Ordered, That a committee be appointed to prepare and bring in a bill making provision for the officers of the Judicial Courts of the United States, and for jurors and witnesses attending the same. MESSRS. BENSON, VINING, and SMITH, (of S. C.) were appointed the said committee.

MONDAY, August 2.

Ordered, That a committee be appointed to prepare and bring in a bill or bills declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island, for raising a duty on the tonnage of ships or vessels entering the ports of Patapsco, Savannah, and Providence. MESSRS. AMES, JACKSON, and SENEY, were appointed the said committee.

## WIDOW OF GENERAL STIRLING.

The House proceeded to consider the Report of the Secretary of War, on the petition of the widow of the late General Stirling; when it was resolved that the sum of six thousand nine hundred and seventy-two dollars, being the half-pay of a Major General in the late American army, for the term of seven years, be allowed; and a bill was ordered to be brought in accordingly.

The SPEAKER laid before the House a statement from the Treasurer of the United States, of the receipts and expenditures from the 1st of April to the 30th of June last; which, with the statement of the preceding quarter, was re-

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Temporary Residence of Government.

[AUGUST 5, 1790]

ferred to Messrs. SMITH, (of S. C.) HEISTER, and PARKER.

Mr. JACKSON gave notice, that he should, to-morrow, move for leave to bring in a bill to provide for the assumption of three hundred thousand dollars State debt, on account of the State of Georgia, in addition to the sum in the funding bill, and

Mr. PARKER gave notice, that to-morrow he should move to bring in a bill to enable the States of Virginia and North Carolina to open an interior navigation between those States, by cutting a canal.

#### TUESDAY, August 3.

A petition from the officers of the late Massachusetts line of the army, in behalf of themselves and the soldiers of said line, was presented to the House, praying that further and adequate compensation may be made them for military services rendered during the late war.

*Ordered*, To lie on the table.

Mr. AMES, from the committee appointed for the purpose, presented a bill declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island, for raising a duty on the tonnage of ships or vessels entering the ports of Patapsco, Savannah, and Providence; which was twice read, and ordered to be engrossed for a third reading.

#### INLAND NAVIGATION.

Mr. PARKER, in pursuance to notice, moved for leave to bring in a bill to authorize the States of Virginia and North Carolina to open an inland navigation between those States.

Considerable debate ensued respecting the propriety of Congress interfering in a business of this kind; a committee was finally appointed to bring in a bill, consisting of Messrs. BURKE, PARKER, WILLIAMSON, STEELE, and WADSWORTH.

#### DEBTS OF GEORGIA.

Mr. JACKSON, also, agreeably to notice, moved that a committee be appointed to bring in a bill making further provision for the debts of the United States; so far as respects the debts of Georgia. The motion was agreed to, a committee appointed, and a bill reported accordingly, which was twice read and committed.

#### WEDNESDAY, August 4.

#### MARYLAND, GEORGIA, AND RHODE ISLAND.

The engrossed bill declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island, for raising a duty on the tonnage of ships or vessels entering into the ports of Patapsco, Savannah, and Providence, was read the third time, and passed.

#### ACCOUNTS WITH THE STATES.

Messrs. MADISON, VINING, and WADSWORTH, were appointed a committee to prepare and bring in a bill to add two Commissioners to the Board already established for the settlement of

the accounts between the United States and the individual States.

#### DEBTS OF GEORGIA.

The House went into a committee on the bill further to make provision for the debts of the United States, so far as it respects the assumption of the State of Georgia; after some time spent therein, the committee rose, and reported certain amendments.

On the question to order the bill engrossed, it was negative, and so the bill was rejected.

Mr. MADISON, from the committee appointed, presented, according to order, a bill to add two Commissioners to the Board for settling accounts. The House went immediately into committee on the said bill; and, after some debate, it was agreed to. Yeas 36, nays 19.

The committee rose, and the bill was ordered to be engrossed.

Mr. BODINOT reported a bill to satisfy the claims of the widow of the late Major General Lord Stirling, which was twice read and committed.

#### THURSDAY, August 5.

#### OFFICERS OF THE SUPREME COURT.

*Ordered*, That the committee appointed to prepare a bill making provision for the officers of the Supreme Court, &c. be discharged from the further consideration of the subject; and that the Attorney-General report to this House at the next session, on such matters relative to the administration of justice under the authority of the United States, as may require to be remedied; and that he also report such provisions in the respective cases as he shall deem advisable.

#### UNITED STATES AND THE STATES.

The engrossed bill for adding two commissioners to the Board established for settling the accounts between the United States and the several States, was read the third time and passed.

#### WIDOW OF GEN. STIRLING.

The House considered the bill making an appropriation for discharging the claim of Sarah Alexander, the widow of the late Major-General Lord Stirling, who died in the service of the United States, and ordered the same to be engrossed for a third reading.

#### PUBLIC LANDS.

On motion, *Resolved*, That a Surveyor-General for the United States be appointed, who shall forthwith proceed to the completion of the surveys of all lands heretofore sold under the authority of the late Congress; and Messrs. SMITH, of S. C., PAGE, and WHITE, be a committee to bring in a bill for the purpose.

#### TEMPORARY RESIDENCE OF GOVERNMENT.

Mr. BLOODWORTH's motion for appointing a committee to prepare and bring in a bill to repeal for a limited time the 5th section of the act for establishing the temporary and permanent



AUGUST 7, 1790.]

*Additional Appropriations.*

[H. OF R.]

seat of the Government of the United States, was taken up.

Mr. VINING moved the previous question on this motion, and being supported by five members, the question was taken, "Shall the main question be now put?" the yeas and nays were called.

YEAS.—Messrs. Benson, Bloodworth, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huger, Huntington, Lawrence, Leonard, Livermore, Rensselaer, Schureman, Sevier, Sylvester, Smith, of Md., Smith, of S. C., Sturges, Thatcher, Trumbull, Wadsworth.—23.

NAYS.—Messrs. Ames, Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Fitzsimons, Gale, Gilman, Goodhue, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, P. Muhlenberg, Page, Parker, Partridge, Scott, Seney, Sherman, Sinnickson, Steele, Stone, Sumter, Tucker, Vining, White, Wynkoop, Williamson.—35.

## PUBLIC DEBTS.

A message from the Senate informed the House that the Senate had passed a bill further to provide for the payment of the debts of the United States, with several amendments, to which they desire the concurrence of this House.

The House proceeded to consider these amendments; but adjourned before they were got through.

FRIDAY, August 6.

## WIDOW OF GEN. STIRLING.

The engrossed bill making appropriation for discharging the claim of the widow of the late Major-General Lord Stirling, who died in the service of the United States, was read the third time and passed.

## ADJOURNMENT.

On motion, *Resolved*, That the President of the Senate and the Speaker of the House of Representatives be authorized to close the present session, by adjourning their respective Houses on Tuesday next, to meet again on the first Monday of December next.

## INVALID PENSIONERS.

*Ordered*, That the Secretary of the Treasury be directed to report early in the next session, proper and effectual means of discharging the arrearages due to the invalid pensioners of the United States, and to the widows and representatives of the deceased officers and soldiers in the late American army.

## SURVEYOR-GENERAL.

Mr. SMITH, of S. C., from the committee appointed for the purpose, presented a bill providing for the appointment of a Surveyor-General, which was twice read and committed.

## PUBLIC DEBTS.

The House resumed the consideration of the amendments proposed by the Senate to the bill making further provision for the payment of the debts of the United States.

The House proceeded in the consideration of the amendments. Sundry alterations were pro-

posed, but were not agreed to. A motion made by Mr. SMITH, of S. C., to strike out twelve cents, the duty on salt, for the purpose of inserting nine cents, occasioned a considerable debate. The question on striking out was determined in the negative.

YEAS.—Messrs. Benson, Bloodworth, Burke, Floyd, Foster, Gerry, Grout, Hathorn, Huger, Huntington, Lawrence, Leonard, Livermore, Rensselaer, Schureman, Sevier, Sylvester, Smith, of Md., Smith, of S. C., Sturges, Thatcher, Trumbull, Wadsworth.—23.

NAYS.—Messrs. Ames, Ashe, Baldwin, Brown, Cadwalader, Carroll, Clymer, Coles, Fitzsimons, Gale, Gilman, Goodhue, Hartley, Heister, Jackson, Lee, Madison, Matthews, Moore, Muhlenberg, Page, Parker, Partridge, Scott, Seney, Sherman, Sinnickson, Steele, Stone, Sumter, Tucker, Vining, White, Wynkoop, Williamson.—35.

The House went through the amendments, and agreed to the whole with very few alterations.

## NEW JERSEY.

A message was received from the President of the United States, with the ratification by the State of New Jersey of the amendments proposed by Congress to the Constitution of the United States. New Jersey has ratified all the amendments except the *second* and *thirteenth*.

Mr. SMITH, of S. C., moved for leave to bring in a bill for altering the times of holding the Courts in South Carolina and Georgia.

SATURDAY, August 7.

## ADDITIONAL APPROPRIATIONS.

The Speaker laid before the House a report from the Secretary of the Treasury, accompanied with statements of additional sums necessary to be provided for the support of Government, which were referred to the Committee of the whole on the state of the Union.

## U. STATES AND THE STATES.

The Senate informed the House, by message, that they had disagreed to the bill for adding two commissioners to the Board established for settling the accounts between the United States and the individual States; and that they had passed the bill for the relief of disabled soldiers and seamen lately in the service of the United States, and of certain other persons, with several amendments, to which they desire the concurrence of this House.

## ADDITIONAL APPROPRIATIONS.

The House resolved itself into a Committee of the whole on the state of the Union, for the purpose of taking into consideration the above report of the Secretary of the Treasury, Mr. SENEY in the chair. After agreeing to several resolutions, the committee rose and reported them to the House, and they were agreed to as follows:

*Resolved*, That the sum of fifty thousand dollars, out of the moneys arising from the duties on imports and tonnage, be reserved and appropriated for satisfying demands against the United States, not other-

H. of R.]

Adjournment.

[AUGUST 10, 1790.]

wise specially provided for; and that an act for that purpose ought to be passed the present session.

*Resolved*, That out of the moneys reserved during the present session for the support of Government from the duties on imports and tonnage, a sum not exceeding thirty-eight thousand eight hundred and ninety-two dollars, seventy-five cents, be appropriated for the payment of the debts contracted by Abraham Skinner, late Commissary of prisoners, for the subsistence of the officers of the late army while in captivity.

*Resolved*, That provision by law should be immediately made for the application of the surplus sum which shall remain in the Treasury after all the appropriations made during the present session shall be satisfied, in conformity to the tenor of the report of the Secretary of the Treasury.

Messrs. FITZSIMONS, VINING, MADISON, AMES, and BENSON, formed the committee for preparing a bill on this subject.

Another message was received from the Senate, that they had passed the bill respecting the Virginia cession, with some amendments; also, that the Senate agreed to the resolution for an adjournment on Tuesday next.

The House then proceeded to the consideration of the amendments proposed by the Senate to the bill respecting the Virginia cession, and agreed to the same.

MONDAY, August 9.

#### ADDITIONAL APPROPRIATIONS.

Mr. FITZSIMONS, from the committee appointed for the purpose, presented a bill making certain appropriations therein mentioned; also, a bill making provision for the reduction of the public debt, both which were twice read and committed.

Mr. SMITH, of S. C., from the committee appointed to examine the accounts of the Treasurer of the United States, for the two last quarters, reported that the committee had found them to agree with the several certified statements thereon by the Auditor, admitted by the Comptroller, and registered by the Register.

The Senate informed the House, by message, that they had passed a bill to alter the times of holding the Circuit Courts of South Carolina and Georgia, and the bill declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island, with an amendment, to which they desire the concurrence of this House.

The House proceeded to consider the amendment of the Senate, and agreed to it.

A committee was appointed, consisting of Messrs. GILMAN, WHITE, and SMITH, (of S. C.) to join with such committee as the Senate shall appoint, to wait on the President of the United States, and notify him of the proposed recess of Congress.

*Ordered*, That the Secretary of the Treasury be directed to prepare and report to this House, on the second Monday of December next, such further provision as may, in his opinion, be necessary for establishing the public credit.

The bill from the Senate to alter the time of holding the Circuit Courts in South Carolina and Georgia, were twice read, and ordered to be committed.

The House immediately went into a committee on the said bill, Mr. LIVERMORE in the chair. The committee made several amendments in the bill, which being reported, was agreed to by the House. The said bill was then engrossed, read the third time, and passed.

The House agreed to the amendments of the Senate to the bill for the relief of disabled soldiers and seamen; and, also, to those in the bill for discharging the claim of the widow of the late Lord Stirling.

#### PUBLIC DEBTS.

The House then resolved itself into a Committee of the whole on the bill making provision for the reduction of the public debt. Mr. LIVERMORE in the chair. The committee made several amendments in the bill, which were reported to the House and agreed to. The bill was then ordered to be engrossed.

#### SURVEYS OF LAND.

The House resolved that all surveys of lands in the United States made under the direction of the late Geographer General, agreeable to contracts for such parts of said lands made with the late Board of Treasury, be returned to, and presented by, the Secretary of the Treasury, so as to complete the said contracts. And that the said Secretary is hereby authorized to direct the making and completing any other surveys that remain to be made, so as to comply, on the part of the United States, with the several contracts aforesaid, in conformity to the terms thereof.

#### PUBLIC DEBT.

The engrossed bill making provision for the reduction of the public debt, was read the third time, and passed.

#### ADDITIONAL APPROPRIATIONS.

The House then resolved itself into a Committee of the whole on the bill making certain appropriations therein mentioned, Mr. LIVERMORE in the chair. The committee made an amendment to the bill, which being reported to the House, was agreed to, and the bill ordered to be engrossed for a third reading. The bill was afterwards read the third time, and passed.

*Ordered*, That the representations from the General Court of Massachusetts on the subject of whale and cod fisheries, which lie on the table, be referred to the Secretary of State, with instructions to report thereon at the next session of Congress.

TUESDAY, August 10.

#### ADJOURNMENT.

The Senate, by message, informed the House that they had resolved that the resolution of the sixth instant, proposing to adjourn the two Houses on this day be repealed, and that the Speakers of the two Houses be authorized to adjourn the two Houses on the twelfth instant, which resolution was agreed to by this House.

AUGUST 12, 1790.]

*Adjournment.*

[H. OF R.]

## WEDNESDAY, August 11.

The Senate, by message, informed the House, that they had passed the bill making provision for the reduction of the public debt; and, also, the bill making certain appropriations therein mentioned, with several amendments, to which they desire the concurrence of this House.

The House proceeded to consider the amendments to each of the above bills, and agreed to them.

## THURSDAY, August 12.

Agreeably to the concurrent vote of the two Houses, an adjournment took place this day; to meet in the city of Philadelphia on the first Monday in December next.

Previous to the adjournment, an unanimous vote passed both Houses, returning thanks to the Corporation of this City for the elegant and convenient accommodations furnished the Congress of the United States.

Adjourned, *sine die*.

# HISTORY

OF

## THE PROCEEDINGS AND DEBATES

OF

### THE SENATE OF THE UNITED STATES,

AT THE THIRD SESSION OF THE FIRST CONGRESS, HELD AT PHILADELPHIA,

DECEMBER 6, 1790.

[That no debate appears in the proceedings of the Senate is already accounted for in a note at the commencement of the Journal of the First Session. It is for this good reason, that, until its Session in 1794, the Senate sat with *closed doors*.]

MONDAY, December 6, 1790.

The Senate assembled: present,

JOHN ADAMS, Vice President of the United States, and President of the Senate.

From New Hampshire, JOHN LANGDON and PAINE WINGATE;

From Massachusetts, TRISTRAM DALTON;

From Connecticut, OLIVER ELLSWORTH;

From New York, RUFUS KING;

From Pennsylvania, WILLIAM MACLAY and ROBERT MORRIS;

From Delaware, RICHARD BASSETT;

From North Carolina, SAMUEL JOHNSTON and BENJAMIN HAWKINS;

From South Carolina, PIERCE BUTLER and RALPH IZARD;

From Georgia, WILLIAM FEW.

PHILEMON DICKINSON, from the State of New Jersey, produced his credentials and took his seat in the Senate, in the place of Governor PATERSON.

JAMES MONROE, appointed by the Legislature of the State of Virginia, in the place of JOHN WALKER, who was appointed by the Executive of the said State in the room of WILLIAM GRAYSON, deceased, produced his credentials, and took his seat in the Senate.

The VICE PRESIDENT administered the oath required by law, to Mr. DICKINSON and Mr. MONROE, respectively.

A letter was read from WILLIAM PATERSON, Governor of the State of New Jersey, communicating the resignation of his appointment to be a Senator of the United States.

*Ordered*, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled, and ready to proceed to business.

TUESDAY, December 7.

A message from the House of Representatives informed the Senate that a quorum of that body is assembled, and ready to proceed to business.

Messrs. LANGDON and MORRIS were appointed a Committee, on the part of the Senate, to inform the President of the United States that a quorum of the two Houses is assembled, and will be ready, in the Senate Chamber, at such time as he may appoint, to receive any communication which he may be pleased to make.

Mr. LANGDON, in the course of the day, reported that the President would meet the two Houses, as proposed, to-morrow at 12 o'clock.

WEDNESDAY, December 8.

JONATHAN ELMER, from New Jersey; CALEB STRONG, from Massachusetts; and GEORGE READ, from the State of Delaware; attended.

A letter from the Commissioners of the city and county of Philadelphia was received, offering to Congress the county court-house for their accommodation during their residence in Philadelphia.

The members of the House of Representatives having taken their seats, the PRESIDENT of the United States entered the Senate Chamber, and addressed both Houses as follows:

*Fellow Citizens of the Senate  
and House of Representatives:*

In meeting you again, I feel much satisfaction in being able to repeat my congratulations on the favorable prospects which continue to distinguish our public affairs. The abundant fruits of another year have blessed our country with plenty, and with the means of a flourishing commerce. The progress of public credit is witnessed by a considerable rise of American stock abroad as well as at home; and the

SENATE.]

*President's Speech.*

[DEC. 8, 1790.]

revenues, allotted for this and other national purposes, have been productive beyond the calculations by which they were regulated. This latter circumstance is the more pleasing, as it is not only a proof of the fertility of our resources, but as it assures us of a further increase of the national respectability and credit; and, let me add, as it bears an honorable testimony to the patriotism and integrity of the mercantile and marine part of our citizens. The punctuality of the former in discharging their engagements has been exemplary.

In conforming to the powers vested in me by acts of the last session, a loan of three millions of florins, towards which some provisional measures had previously taken place, has been completed in Holland. As well the celerity with which it has been filled, as the nature of the terms, (considering the more than ordinary demand for borrowing, created by the situation of Europe,) give a reasonable hope that the further execution of those powers may proceed with advantage and success. The Secretary of the Treasury has my directions to communicate such further particulars as may be requisite for more precise information.

Since your last sessions I have received communications by which it appears that the district of Kentucky, at present a part of Virginia, has concurred in certain propositions contained in a law of that State; in consequence of which the district is to become a distinct member of the Union, in case the requisite sanction of Congress be added. - For this sanction application is now made. I shall cause the papers on this very important transaction to be laid before you. The liberality and harmony with which it has been conducted will be found to do great honor to both the parties; and, the sentiments of warm attachment to the Union and its present Government, expressed by our fellow-citizens of Kentucky, cannot fail to add an affectionate concern for their particular welfare to the great national impressions under which you will decide on the case submitted to you.

It has been heretofore known to Congress, that frequent incursions have been made on our frontier settlements by certain banditti of Indians from the northwest side of the Ohio. These, with some of the tribes dwelling on and near the Wabash, have of late been particularly active in their depredations; and, being emboldened by the impunity of their crimes, and aided by such parts of the neighboring tribes as could be seduced to join in their hostilities, or afford them a retreat for their prisoners and plunder, they have, instead of listening to the humane invitations and overtures made on the part of the United States, renewed their violences with fresh alacrity, and greater effect. The lives of a number of valuable citizens have thus been sacrificed, and some of them under circumstances peculiarly shocking, whilst others have been carried into a deplorable captivity.

These aggravated provocations rendered it essential to the safety of the Western settlements, that the aggressors should be made sensible that the Government of the Union is not less capable of punishing their crimes, than it is disposed to respect their rights and reward their attachments. As this object could not be effected by defensive measures, it became necessary to put in force the act which em-

powers the President to call out the militia for the protection of the frontiers; and I have, accordingly, authorized an expedition, in which the regular troops in that quarter are combined with such draughts of militia as were deemed sufficient: the event of the measure is yet unknown to me. The Secretary of War is directed to lay before you a statement of the information on which it is founded, as well as an estimate of the expense with which it will be attended.

The disturbed situation of Europe, and particularly the critical posture of the great maritime powers, whilst it ought to make us the more thankful for the general peace and security enjoyed by the United States, reminds us, at the same time, of the circumspection with which it becomes us to preserve these blessings. It requires, also, that we should not overlook the tendency of a war, and even of preparations for a war, among the nations most concerned in active commerce with this country, to abridge the means, and thereby at least to enhance the price of transporting its valuable productions to their proper markets. I recommend it to your serious reflection how far, and in what mode, it may be expedient to guard against embarrassments from these contingencies, by such encouragements to our own navigators as will render our commerce and agriculture less dependent on foreign bottoms, which may fail us in the very moments most interesting to both of these great objects. Our fisheries, and the transportation of our own produce, offer us abundant means for guarding ourselves against this evil.

Your attention seems to be not less due to that particular branch of our trade which belongs to the Mediterranean. So many circumstances unite in rendering the present state of it distressful to us, that you will not think any deliberations misemployed which may lead to its relief and protection.

The laws you have already passed for the establishment of a judiciary system have opened the doors of justice to all description of persons. You will consider, in your wisdom, whether improvements in that system may yet be made; and, particularly, whether an uniform process of execution, on sentences issuing from the federal courts, be not desirable through all the States.

The patronage of our commerce, of our merchants, and seamen, has called for the appointment of consuls in foreign countries. It seems expedient to regulate by law, the exercise of that jurisdiction, and those functions which are permitted them, either by express convention, or by a friendly indulgence, in the places of their residence. The consular convention, too, with His Most Christian Majesty, has stipulated, in certain cases, the aid of the national authority to his consuls established here. Some legislative provision is requisite to carry these stipulations into full effect.

The establishment of the militia, of a mint, of standards of weights and measures, of the Post-office and post roads, are subjects which (I presume) you will resume of course, and which are abundantly urged by their own importance.

*Gentlemen of the House of Representatives:*

The sufficiency of the revenues you have established for the objects to which they are appropriated, leaves no doubt that the residuary provisions will be commensurate to the other objects for which the

DEC. 9, 1790.]

*Kentucky Memorial.*

[SENATE.]

public faith stands now pledged. Allow me, moreover, to hope that it will be a favorite policy with you not merely to secure a payment of the debt funded, but as far and as fast as the growing resources of the country will permit, to exonerate it of the principle itself. The appropriation you have made of the Western lands explains your dispositions on this subject, and I am persuaded the sooner that valuable fund can be made to contribute, along with other means, to the actual reduction of the public debt, the more salutary will the measure be to every public interest, as well as the more satisfactory to our constituents.

*Gentlemen of the Senate  
and House of Representatives:*

In pursuing the various and weighty business of the present session, I indulge the fullest persuasion that your consultations will be equally marked with wisdom, and animated by the love of your country. In whatever belongs to my duty, you shall have all the co-operation which an undiminished zeal for its welfare can inspire. It will be happy for us both, and our best reward, if, by a successful administration of our respective trusts, we can make the established Government more and more instrumental in promoting the good of our fellow-citizens, and more and more the object of their attachment and confidence.

GEO. WASHINGTON.

UNITED STATES, December 8, 1790.

The President of the United States having retired, and the two Houses being separated, Messrs. ELLSWORTH, KING, and IZARD, were appointed a committee to prepare and report the draft of an address to the President, in answer to his speech to both Houses.

THURSDAY, December 9.

*Ordered*, That a letter be written to the Commissioners of the city and county of Philadelphia, acknowledging a proper sense of the respect shown to the General Government, by the offer made to Congress, of the use of so commodious a building during its residence in the city.

A message from the House of Representatives informed the Senate, that they have resolved that two Chaplains of different denominations be appointed to Congress for the present session, one by each House, who shall interchange weekly.

Whereupon, the Senate proceeded to consider the resolution of the House of Representatives, of this day, for the appointment of two Chaplains; and

*Resolved*, That they do concur therein, and that the Right Rev. Dr. William White be appointed on the part of the Senate.

*Ordered*, That the Secretary communicate the concurrence of the Senate in this resolution to the House of Representatives, together with their proceedings thereon.

A message from the President of the United States communicated sundry papers referred to in his speech to both Houses:

DISTRICT OF KENTUCKY, to wit:  
*In Convention*, July 28th, 1790.

*Resolved*, That it is expedient for, and the will of, the good people of the District of Kentucky, that the same be erected into an independent State, on the terms and conditions specified in an act of the Virginia Assembly, passed the 18th day of December, 1789, entitled "An act concerning the erection of the District of Kentucky into an independent State."

*Resolved*, That we, the Representatives of the people of Kentucky, duly elected in pursuance of an act of the Legislature of Virginia, passed the 18th day of December, 1789, entitled "An act concerning the erection of the District of Kentucky into an independent State," and now met in Convention; having, with full powers, maturely investigated the expediency of the proposed separation on the terms and conditions specified in the above recited act; do, by these presents, and in behalf of the people of Kentucky, accept the terms and conditions, and do declare that, on the 1st day of June, 1792, the said District of Kentucky shall become a State separate from, and independent of, the Government of Virginia, and that the said articles become a solemn compact, binding on the said people.

To the President, and the Honorable the Congress of the United States of America.

The memorial of the Representatives of the people of Kentucky, in Convention assembled, pursuant to an act of the Legislature of Virginia, passed the 18th December, 1789, entitled "An act concerning the erection of the District of Kentucky into an independent State," humbly sheweth:

That the inhabitants of this country are warmly devoted to the American Union, and as firmly attached to the present happy establishment of the Federal Government, as any of the citizens of the United States.

That, migrating from hence, they have, with great hazard and difficulty, effected their present settlements. The hope of increasing numbers could alone have supported the early adventurers under those arduous exertions. They have the satisfaction to find that hope verified. At this day, the population and strength of this country render it fully able, in the opinion of your memorialists, to form and support an efficient domestic Government:

The inconveniences resulting from its local situation, as a part of Virginia, at first but little felt, have for some time been objects of their most serious attention: which occasioned application to the Legislature of Virginia for redress.

Here your memorialists would acknowledge, with peculiar pleasure, the benevolence of Virginia in permitting them to remove the evils arising from that source, by assuming upon themselves a state of independence.

This they have thought expedient to do, on the terms and conditions stipulated in the above recited act; and fixed on the first day of June, 1792, as the period when the said independence shall commence.

It now remains with the President and the Congress of the United States to sanction these proceedings, by an act of their honorable Legislature, prior to the first day of November, 1791, for the purpose of receiving into the Federal Union the people of Kentucky, by the name of the State of Kentucky.



SENATE]

*Answer to the President's Speech.*

[DEC. 13, 1790.]

Should this determination of your memorialists meet the approbation of the General Government, they have to call a Convention, to form a Constitution, subsequent to the act of Congress, and prior to the day fixed for the independence of this country.

When your memorialists reflect on the present comprehensive system of Federal Government, and when they also recollect the determination of a former Congress on this subject, they are left without a doubt that the object of their wishes will be accomplished.

And your memorialists, as in duty bound, shall for ever pray.

GEORGE MUTER, *President.*

Attest, THOMAS TODD, *Clerk of the Con.*

A letter from the Secretary of War was communicated to the Vice President, enclosing sundry papers referred to in the President's speech to both Houses of Congress, on the 8th instant, which, being read, were ordered to lie for consideration.

FRIDAY, December 10.

A letter from Monsieur Beniere, President of the Commonalty of Paris, addressed to the President and members of Congress of the United States, with twenty-six copies of a Civic Eulogy on Benjamin Franklin, pronounced the 21st day of July, 1790, in the name of the Commonalty of Paris, by Monsieur L'Abbé Fauchet, was delivered to the Senate, by Mr. Lear, Secretary to the President of the United States.

Read, and

*Ordered,* That the letter and copies of the Eulogy be sent to the House of Representatives.

A message from the House of Representatives informed the Senate, that they have, on their part, appointed the Rev. Dr. Blair one of the Chaplains to the present Congress.

Mr. ELLSWORTH, from the committee appointed to prepare and report the draught of an Address to the President of the United States, reported accordingly; and, the report being amended, was adopted, as followeth:

*To the President of the United States of America.*

We receive, sir, with particular satisfaction, the communications contained in your speech, which confirm to us the progressive state of the public credit, and afford, at the same time, a new proof of the solidity of the foundation on which it rests; and we cheerfully join in the acknowledgment which is due to the probity and patriotism of the mercantile and marine part of our fellow-citizens, whose enlightened attachment to the principles of good government is not less conspicuous in this than it has been in other important respects.

In confidence that every constitutional preliminary has been observed, we assure you of our disposition to concur, in giving the requisite sanction, to the admission of Kentucky as a distinct member of the Union; in doing which, we shall anticipate the happy effects to be expected from the sentiments of attachment towards the Union, and its present Government, which have been expressed by the patriotic inhabitants of that district.

While we regret that the continuance and increase of the hostilities and depredations which have dis-

tressed our Northwestern frontiers, should have rendered offensive measures necessary; we feel an entire confidence in the sufficiency of the motives which have produced them, and in the wisdom of the dispositions which have been concerted, in pursuance of the powers vested in you; and, whatever may have been the event, we shall cheerfully concur in the provisions which the expedition, that has been undertaken, may require on the part of the Legislature, and in any other which the future peace and safety of our frontier settlements may call for.

The critical posture of the European Powers will engage a due portion of our attention, and we shall be ready to adopt any measures, which a prudent circumspection may suggest, for the preservation of the blessings of peace. The navigation, and the fisheries, of the United States, are objects too interesting not to inspire a disposition to promote them, by all the means which shall appear to us consistent with their natural progress and permanent prosperity.

Impressed with the importance of a free intercourse with the Mediterranean, we shall not think any deliberations misemployed, which may conduce to the adoption of proper measures for removing the impediments that obstruct it.

The improvement of the judiciary system, and the other important objects to which you have pointed our attention, will not fail to engage the consideration they respectively merit.

In the course of our deliberations, upon every subject, we shall rely upon that co-operation which an undiminished zeal, and incessant anxiety for the public welfare, on your part, so thoroughly ensure; and, as it is our anxious desire, so it shall be our constant endeavor, to render the established Government more and more instrumental in promoting the good of our fellow-citizens, and more and more the object of their attachment and confidence.

*Ordered,* That the Address to the President of the United States, in answer to his Speech, be presented by the Vice President, attended by the Senate, and that the committee which reported the address wait on the President, and desire to be informed at what time and place he will receive the same.

MONDAY, December 13.

WILLIAM S. JOHNSON, from Connecticut; and PHILIP SCHUYLER, from New York, attended.

Mr. ELLSWORTH, from the committee appointed on the 10th, to wait on the President of the United States, reported,

That it would be agreeable to the President to receive the address of the Senate, in answer to his speech to both Houses of Congress, on Monday next, at 12 o'clock: whereupon,

The Senate waited on the President of the United States at his own house, and the Vice President, in their name, communicated to him the address agreed to on the 10th instant; to which, the President of the United States was pleased to make the following reply:

GENTLEMEN: These assurances of favorable attention to the subjects I have recommended, and of entire confidence in my views, make the impression on me which I ought to feel. I thank you for them both, and shall continue to rely much for the success

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of all our measures for the public good, on the aid they will receive from the wisdom and integrity of your councils.

GEO. WASHINGTON.

The Senate returned to the Senate Chamber.

On motion,

*Ordered*, That the Secretary furnish the members of Senate, from such printers as they may respectively direct, each, three newspapers, to be left, from time to time during the session, at their several places of abode.

TUESDAY, December 14.

The following message was received from the President of the United States:

*Gentlemen of the Senate,  
and of the House of Representatives:*

Having informed Congress of the expedition which had been directed against certain Indians Northwest of the Ohio, I embrace the earliest opportunity of laying before you the official communications which have been received upon that subject.

GEO. WASHINGTON.

UNITED STATES, December 14, 1790.

The message, and communications referred to, being read, were ordered to lie for consideration.

On motion,

*Ordered*, That MESSRS. SCHUYLER, MONROE, and JOHNSON, be a committee to consider and report on the papers referred to in the President's speech, relative to the district of Kentucky.

WEDNESDAY, December 15.

JOSEPH STANTON, junior, from Rhode Island, attended.

*Ordered*, That MESSRS. LANGDON, MORRIS, KING, STRONG, and ELLSWORTH, be a committee to consider that part of the President's speech which relates to the commerce of the Mediterranean.

THURSDAY, December 16.

*Ordered*, That MESSRS. SCHUYLER, HAWKINS, and ELLSWORTH, be a committee to prepare and bring in a bill supplementary to the act, entitled "An act making further provision for the payment of the debts of the United States."

Mr. SCHUYLER, from the above-mentioned committee, reported a bill, which was read the first time.

*Ordered*, That this bill pass to the second reading.

*Ordered*, That MESSRS. ELLSWORTH, HAWKINS, and SCHUYLER, be a committee to take into consideration and report on that part of the President's speech which relates to the appointment of Consuls.

FRIDAY, December 17.

THEODORE FOSTER, from Rhode Island, attended.

Agreeably to the order of the day, the Senate

proceeded to the second reading of the bill, supplementary to the act, entitled "An act making further provision for the payment of the debts of the United States."

Agreed, by unanimous consent, so far to dispense with the rule, as that this bill now pass to the third reading.

*Resolved*, That this bill do pass, that it be entitled "An act supplementary to an act, entitled 'An act making further provision for the payment of the debts of the United States,'" that it be engrossed and carried to the House of Representatives for concurrence therein.

The Senate entered on Executive business. The following message was read from the President:

UNITED STATES, December 17, 1790.

*Gentlemen of the Senate:*

Since your last session, I have appointed Robert Morris, Judge of the District of New Jersey, in place of David Brearly, deceased; and John Heth, of Virginia, an Ensign in the troops of the United States, in place of Richard Archer, who has declined his appointment.

As these appointments expire with your present session, I nominate Robert Morris to be Judge of the District of New Jersey, in place of David Brearly, deceased; and John Heth, of Virginia, to be an Ensign in the troops of the United States, in place of Richard Archer, who has declined his appointment.

I likewise nominate John Sitgreaves to be Judge of the District of North Carolina, in place of John Stokes, deceased; William Hill, to be Attorney for the United States in the District of North Carolina, in place of John Sitgreaves, if his nomination as Judge meets your concurrence; Zachariah Rowland, to be Surveyor of the port of Richmond, in the State of Virginia, in place of Corbin Braxton, who has resigned his appointment; and Jeremiah Nicols, to be Collector of the port of Chester, in the State of Maryland, in place of John Scott, deceased.

GEO. WASHINGTON.

*Ordered*, That the message lie for consideration.

MONDAY, December 20.

A message was received from the House of Representatives, which informed the Senate, that they have passed a bill, entitled "An act to continue an act, entitled 'An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations,'" in which they desire the concurrence of the Senate.

*Ordered*, That this bill be read the first time.

*Ordered*, That this bill pass to the second reading.

The memorial and remonstrance of the public creditors who are citizens of the Commonwealth of Pennsylvania, praying for a revision of "An act making provision for the debt of the United States," was, by Mr. MORRIS, presented and read.

*Ordered*, That this memorial lie on the table.

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Report on Public Debt.

[DEC. 21, 1790.]

The Senate, on Executive business, confirmed the nominations to office received yesterday.

TUESDAY, December 21.

The Senate proceeded in the second reading of the bill, to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations."

*Ordered*, That this bill be committed to Messrs. HAWKINS, LANGDON, and READ.

The Vice President, from the Commissioners appointed by the law passed the last session of Congress "making provision for the reduction of the public debt," communicated the following report:

PHILADELPHIA, December 21st, 1790.

The Vice President of the United States and President of the Senate, the Chief Justice, the Secretary of State, the Secretary of the Treasury, and the Attorney General, respectfully report to the Congress of the United States of America,

That, pursuant to the act making provision for the reduction of the public debt, they, on the 26th day of August last, convened at the city of New York, and entered upon the execution of the trust thereby reposed in them.

That, in conformity to a resolution agreed upon by them on the 27th, and approved of by the President of the United States on the 28th of the said month, they have caused purchases of the said debt to be made, through the agency of Samuel Meredith, Treasurer of the United States, which, on the 6th day of December instant, amounted to two hundred and seventy-eight thousand six hundred and eighty-seven dollars and thirty cents, and for which there have been paid one hundred and fifty thousand two hundred and thirty-nine dollars and twenty-four cents in specie; as will more particularly appear by a return of the said Samuel Meredith, confirmed by an authenticated copy of his account, settled at the Treasury of the United States, which are herewith submitted, and prayed to be received as part of this report, and in which are specified the places where, the times when, the prices at which, and the persons of whom, the said purchases have been made.

Signed, by order of the Board,

JOHN ADAMS.

TREASURY DEPARTMENT,

Auditor's Office, Dec. 20, 1790.

I have examined and adjusted an account between the United States and Samuel Meredith, Esq. Agent to the Trustees named in the act of Congress, passed on the 12th day of August, 1790, for reducing the domestic debt; for purchases of said debt made before the 7th day of December, 1790, and find that the said Samuel Meredith, Esq. is debited in the books of the Treasury for this sum advanced to him on account of said agency - \$200,000 00

I also find that the following purchases have been made by said Agent:

In certificates of registered debt, issued by the Register of the Treasury, exclusive of interest since the first day of January, 1788, purchased at

thirteen shillings on the pound	\$54,494 99
In certificates purchased at twelve shillings and ten pence on the pound	1,500 00
In said certificates, purchased at twelve shillings and six pence on the pound	87,434 95
In funded six per cent. stock on the books of the Treasury, purchased at fourteen shillings on the pound	60,688 54
In funded three per cent. stock on the books of the Treasury, purchased at seven shillings and two pence two farthings on the pound	10,484 14
In deferred six per cent. stock on the books of the Treasury, purchased at six shillings on the pound	13,262 49
In indents of interest issued by direction of the late Board of Treasury, purchased at seven shillings and four pence on the pound	299 00
In said indents of interest, purchased at seven shillings and two pence on the pound	19,988 12
In warrants drawn on the Treasury for said indents, purchased at seven shillings and four pence on the pound	800 30
In said warrants, purchased at seven shillings and two pence on the pound	3,462 16
In arrearages of interest on certificates, calculated to the first day of January, 1788, for which payment was made, as for indents, at seven shillings and two pence on the pound	455 23

Amounting to - \$252,869 92

On the certificates of registered debt before mentioned, amounting in the whole to \$143,429 94, interest was due from January 1st, 1788, in addition to the sums before stated, which interest, calculated to the 1st day of January, 1791, would amount to	25,817 38
The amount of the domestic debt extinguished by the purchases of the said Agent, including interest thereon to January 1st, 1791, is therefore	278,687 30

For which purchases, the said Agent has paid in specie, at the rates before mentioned, agreeably to a particular statement of his accounts herewith transmitted, the sum of	150,239 24
Leaving a balance in his hands in specie, for which he is to be debited in a future settlement of his accounts, the sum of	49,760 76

\$200,000 00

The statement on which this report is founded, and the indents and warrants for indents before mentioned, are herewith transmitted for the decision of the Comptroller of the Treasury thereon.

OLIVER WOLCOTT, Jun. Auditor.

*Ordered*, That this Report lie for consideration.

A message from the House of Representatives informed the Senate, that they have passed the bill sent from the Senate, entitled An act

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supplementary to an act, entitled "An act making further provision for the payment of the debts of the United States."

A motion being made that it be "resolved, as the opinion of the Senate, that any deviation from the principles of the system contained in the act making provision for the debt of the United States," would be dangerous and inexpedient, it was agreed that the consideration thereof be postponed till Thursday next.

WEDNESDAY, December 22.

*Ordered*, That Mr. FOSTER be of the Joint Committee on the part of the Senate, with such as the House of Representatives may appoint on their part, to examine Enrolled Bills.

*Ordered*, That the Secretary desire the concurrence of the House of Representatives in the appointment of a Joint Committee, for Enrolled Bills, on their part.

A message from the House of Representatives informed the Senate, that they have agreed to the appointment of a Joint Committee on their part, for Enrolled Bills.

THURSDAY, December 23.

A message was received from the House of Representatives, informing the Senate, that they had received a Report from the Secretary of State, respecting coins, weights, and measures, and also a Report from the Secretary of the Treasury, containing a plan for a National Bank; and to bring the said Reports to the Senate.

*Ordered*, That these communications from the House of Representatives lie for consideration.

Agreeably to the order of the day, the Senate proceeded to consider the motion made on the 21st instant, that it be

*Resolved*, As the opinion of the Senate, that any deviation from the principles of the system contained in the act making provision for the debt of the United States, would be dangerous and inexpedient.

On motion to postpone this resolution, and substitute the following:

*Resolved*, That it would be inexpedient to alter the system for funding the public debt established during the last session of Congress, and that the petition of Thomas M'Kean and others, styling themselves a committee of the public creditors of the Commonwealth of Pennsylvania, cannot be granted:

It passed in the affirmative.

And, on the main question, the yeas and nays being required by one-fifth of the Senators present, and were:

YEAS.—Messrs. Bassett, Butler, Dalton, Dickinson, Ellsworth, Elmer, Few, Foster, Hawkins, Johnson, Johnston, Izard, King, Langdon, Maclay, Read, Schuyler, Stanton, Strong, and Wingate.—20.

NAYS.—Mr. Morris.—1.

So it was

*Resolved*, That it would be inexpedient to alter the system for funding the public debt established during

the last session of Congress, and that the petition of Thomas M'Kean and others, styling themselves a committee of the public creditors of the Commonwealth of Pennsylvania, cannot be granted.

On motion,—

*Ordered*, That Messrs. STRONG, MORRIS, SCHUYLER, BUTLER, and ELLSWORTH, be a committee to take into consideration the Report of the Secretary of the Treasury upon the plan of a National Bank, and to prepare a bill upon that subject.

The Senate entered on Executive business. The following message was received from the President:

UNITED STATES, December 23, 1790.

Gentlemen of the Senate:

I nominate Woodbury Langdon, of the State of New Hampshire, to be one of the Commissioners for settling the accounts between the United States and individual States, in place of John Taylor Gilman, who has resigned his appointment; and

William Gardner, to be Commissioner of Loans in the State of New Hampshire, in place of Nathaniel Gilman, who has declined his appointment.

GEO. WASHINGTON.

*Ordered*, That this message lie for consideration.

FRIDAY, December 24.

A message was received from the House of Representatives, informing the Senate, that they had received the following message from the President of the United States, which was read, as follows:

Gentlemen of the Senate,

and House of Representatives:

It appearing, by the Report of the Secretary of the Government Northwest of the Ohio, that there are certain cases respecting grants of land within that territory which require the interference of the Legislature of the United States, I have directed a copy of said Report, and the papers therein referred to, to be laid before you; together with a copy of the Report of the Secretary of State upon the same subject.

GEO. WASHINGTON.

UNITED STATES, December 23, 1790.

The papers referred to in the above recited message were read; and,

*Ordered*, That the message, and papers accompanying it, lie for consideration.

The Senate, on Executive business, confirmed the nominations which were yesterday laid before them.

MONDAY, December 27.

No business of importance came before the Senate to-day.

TUESDAY, December 28.

*Ordered*, That Messrs. IZARD, MONROE, MORRIS, LANGDON, and SCHUYLER, be a committee to take into consideration the Report of the Secretary of State, on the uniformity of

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coins, weights, and measures, and report what is proper to be done thereon.

Mr. HAWKINS, from the committee appointed to take into consideration the bill to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations," reported an amendment; which Report was agreed to.

*Ordered*, That this bill be recommitted for further amendments, and that Messrs. MORRIS and SCHUYLER be added to the committee.

WEDNESDAY, December 29.

The memorial of the College of Physicians of the city of Philadelphia, praying that "such heavy duties may be imposed upon all distilled spirits as shall be effectual to restrain their intemperate use in our country," was presented by Mr. MORRIS, and read.

*Ordered*, That this memorial lie on the table.

THURSDAY, December 30.

The following message was received from the President of the United States:

*Gentlemen of the Senate,  
and House of Representatives:*

I lay before you a Report of the Secretary of State, on the subject of the citizens of the United States in captivity at Algiers, that you may provide on their behalf what to you shall seem most expedient.

GEO. WASHINGTON.

UNITED STATES, December 30, 1790.

The message and papers communicated were read; and

*Ordered*, That they be referred to the committee, appointed on the 15th instant, to consider that part of the President's speech which relates to the commerce of the Mediterranean.

FRIDAY, December 31.

*Ordered*, That Messrs. STRONG, ELLSWORTH, and MACLAY be a committee to take into consideration the message of the President of the United States, of the 23d instant, respecting cases of grants of lands in the Western Territory northwest of the river Ohio, with the papers therein referred to, and report what is proper to be done thereon.

The petition of Col. Henry Laurens was, by Mr. BUTLER, presented and read, praying compensation for ten thousand bushels of rough rice, supplied the late Continental army, as set forth in his petition.

Also, the petition of Colonel Henry Laurens, praying that interest may be allowed on the compensation granted to his son, the late Colonel Henry Laurens, deceased, whilst acting as special Minister at the court of France.

*Ordered*, That these petitions lie on the table until Monday next.

MONDAY, January 3.

A message was received from the House of Representatives, informing the Senate, that

they had passed a bill to provide for the unloading of ships and vessels in cases of obstruction by ice, in which they desire the concurrence of the Senate; also, the report and confidential communication from the Secretary of State respecting the trade of the United States in the Mediterranean.

The above mentioned bill was read the first time.

*Ordered*, That this bill pass to the second reading.

The report of the Secretary of State respecting the trade of the Mediterranean, was read; and

*Ordered*, That it lie for consideration.

The petition of Colonel Henry Laurens, that compensation may be allowed him for a quantity of rice supplied the troops of the United States; also, that interest may be allowed on the compensation granted to his son, the late Colonel Henry Laurens, deceased, were severally taken into consideration; and,

*Ordered*, That they lie on the table.

A message was received from the President of the United States, with a copy of an act of the Legislature of New Jersey, vesting in the United States the jurisdiction of a lot of land at Sandy Hook, on which a light-house and other buildings are erected.

*Ordered* to lie on the table.

Mr. STRONG, from the committee appointed to consider the report of the Secretary of the Treasury upon the plan of a National Bank, reported a bill, which was read the first time.

*Ordered*, That this bill pass to the second reading, and that one hundred and fifty copies thereof be printed.

Mr. SCHUYLER, from the committee appointed on that part of the speech of the President of the United States which referred to the district of Kentucky, reported,

That it appears to the committee that the General Assembly of the Commonwealth of Virginia did, (upon the application of the inhabitants residing in the District of Kentucky, part of the Commonwealth of Virginia, to be separated therefrom, to the intent that the said District might become an independent State, and a member of the Union of the United States of America,) by an act of the Legislature, passed on the eighteenth day of December, 1789, entitled "An act concerning the erection of the District of Kentucky into an independent State," assent to the independence of the said District on certain conditions stipulated and contained in the said act, a printed copy whereof is herewith submitted.

That it appears from the papers referred to the consideration of the committee that a convention of deputies from the several counties in the said District was held, in conformity to the said act, which, in the name, and in behalf of the people whom they represented, declared it as the will of the said people to be erected into an independent State, on the terms and conditions specified in the said act of the Commonwealth of Virginia.

That by the memorial of the said Convention to

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Congress, bearing date the 28th of July, 1790, praying to be received into the Federal Union, by the name of the State of Kentucky, it is declared that the people of the said District "are as warmly devoted to the American Union, and as firmly attached to the present happy establishment of the Federal Government as any of the citizens of the United States."

That from such information as the committee have been able to procure, the inhabitants resident in the said District are sufficiently numerous for all the purposes of an independent State.

That from these facts the committee have concluded that it would be proper for Congress to consent that the said District should become an independent State, and be admitted as a member of the United States of America, and that a bill should be prepared for that purpose.

And this report was accepted; whereupon,  
*Ordered*, That the committee which made the report be instructed to prepare a bill accordingly.

The Senate, on Executive business, received from the President the nomination of Abraham Ogden to be attorney for the United States in the district of New Jersey, in the place of Richard Stockton, resigned.

*Ordered* to lie on the table.

#### TUESDAY, January 4.

The bill to provide for the unloading of ships or vessels in case of obstructions by ice was read the second time, and ordered to pass to a third reading.

The committee to whom was referred that part of the speech of the President which relates to Kentucky, reported a bill which was read the first time, and ordered to pass to a second reading.

A letter was received from the Treasurer of the United States, with his accounts, which were ordered to lie on the table.

The Senate entered on Executive business, and confirmed the nomination made yesterday.

#### WEDNESDAY, January 5.

The Senate proceeded to the second reading of the bill, providing that the District of Kentucky should become an independent State, and be admitted as a member of the United States of America; and

*Ordered*, That the further consideration hereof be postponed, and that in the meantime the bill be printed for the consideration of Congress.

Mr. HAWKINS, from the committee appointed to take into consideration the bill to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations," reported amendments.

On motion to postpone the consideration of the amendments, to take up the following resolution reported by the committee, to wit:

*Resolved*, That the President of the United States be requested to direct an inquiry as to the extent of

the obstructions in the river Savannah, and in that leading to the town of Providence in the State of Rhode Island and Providence Plantations; the progress that has been made in their removal, together with a state of facts relative to the objects for which the said acts were passed by the respective States previous to the adoption of the present Constitution of the United States, and by which a duty of tonnage is laid on ships and vessels navigating the said rivers.

It passed in the negative.

The Senate proceeded in the second reading of the bill, and agreed thereto, with the following amendments reported by the committee, to limit the operation thereof to the States of Georgia and Rhode Island, by inserting these words, line 5th, after the word force:

"So far as the same respects the States of Georgia and Rhode Island and Providence Plantations."

To limit the duration of the act to one year, by striking out in the same line "five," and inserting "one;" and to make the word "years," in the same line, singular.

To insert in the title of the bill, after the word "Plantations."

"So far as the same respects the States of Georgia and Rhode Island and Providence Plantations."

*Ordered*, That this bill, as amended, pass to the third reading.

#### THURSDAY, January 6.

Mr. STRONG, from the committee appointed to take into consideration the message of the President of the United States, of the 23d December last, respecting cases for grants of lands in the Western Territory northwest of the Ohio, reported that a bill be brought in for the purposes mentioned in the report; whereupon,

*Ordered*, That the same committee be instructed to prepare and report a bill accordingly.

Agreeably to the order of the day, the Senate proceeded to the third reading of the bill to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations;" and,

*Resolved*, That this bill do pass with the amendments.

The bill to incorporate the subscribers to the Bank of ——— was read the second time, and the consideration thereof was postponed to Monday next.

Mr. LANGDON, from the committee to whom was referred that part of the President's speech which relates to the trade of the Mediterranean, together with the President's message of the 30th of December, and the papers accompanying the same, made report.

*Ordered*, That the consideration of the report be postponed until to-morrow.

#### FRIDAY, January 7.

Agreeably to the order of the day, the Senate proceeded to the consideration of the Report of the committee to whom was referred that part of the speech of the President of the United States which relates to the trade of the Medi-



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terranean; together with the President's message of the 30th of December, and the papers accompanying the same; and,

*Ordered*, That the report lie on the table.

Mr. STRONG, from the committee to whom was referred the message of the President of the United States, of the 23d of December ult. reported "a bill for granting lands to the inhabitants and settlers at Vincennes and the Illinois country, in the Territory Northwest of the Ohio, and for confirming them in their possessions;" which bill was read the first time.

*Ordered*, That this bill pass to the second reading.

A message from the House of Representatives informed the Senate, that they have concurred in the amendments of the Senate to the bill to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations."

Mr. ELLSWORTH, from the committee appointed to take into consideration that part of the speech of the President of the United States which relates to the appointment of Consuls in foreign countries, reported a bill; which was read the first time.

*Ordered*, That this bill pass to the second reading.

The Senate proceeded in the second reading of the bill, providing "that the District of Kentucky should become an independent State, and be admitted as a member of the United States of America;" and, after progress, the further consideration of the bill was postponed until Tuesday next.

MONDAY, January 10.

JOHN HENRY, from Maryland, attended.

The Senate proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —; and, after progress, the further consideration thereof was postponed.

Agreeably to the order of the day, the Senate proceeded to the second reading of the bill for granting lands to the inhabitants and settlers at Vincennes and the Illinois country, in the Territory Northwest of the Ohio, and for confirming them in their possessions; and,

*Ordered*, That this bill pass to the third reading.

TUESDAY, January 11.

Agreeably to the order of the day, the Senate proceeded to the third reading of the bill for granting lands to the inhabitants and settlers at Vincennes and the Illinois country, in the Territory Northwest of the Ohio, and for confirming them in their possessions; and

*Resolved*, That this bill do pass, and that it be sent to the House of Representatives for their concurrence.

WEDNESDAY, January 12.

Agreeably to the order of the day, the Senate

proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —; and, on motion, it was agreed to postpone the further consideration thereof until to-morrow.

The Senate proceeded to the third reading of the bill providing that the District of Kentucky should become an independent State, and be admitted as a member of the United States of America; and,

*Resolved*, That this bill do pass; that the title thereof be, "An act declaring the consent of Congress that a new State be formed within the jurisdiction of the Commonwealth of Virginia, and admitted into the Union, by the name of the State of Kentucky;" that the bill be engrossed, and that the Secretary carry it to the House of Representatives, and desire their concurrence.

The Senate proceeded in the second reading of the bill concerning Consuls and Vice Consuls; and, after progress,

*Ordered*, That it be recommitted to Messrs. ELLSWORTH, MORRIS, SCHUYLER, HAWKINS, and KING.

THURSDAY, January 13.

Several resolutions, and the memorial of the Commonwealth of Virginia, calling the attention of Congress to an act making provision for the debt of the United States, were, by Mr. MONROE, communicated to the Senate; which, being read,

*Ordered*, That they lie on the table.

The Senate proceeded to the second reading of the bill to incorporate the subscribers to the Bank of —; and agreed to fill the title with these words: "The United States of America."

On motion to limit the term of incorporation to seven years;

A motion was made to extend the term of incorporation to March the 4th, 1815: and on this the yeas and nays being required by one-fifth of the Senators present, and were:

YEAS.—Messrs. Bassett, Dickinson, Ellsworth, Elmer, Johnson, King, Langdon, Morris, Read, Schuyler, and Strong.—11.

NAYS.—Messrs. Butler, Few, Foster, Hawkins, Henry, Johnston, Izard, Maclay, Monroe, and Wingate.—10.

So it passed in the affirmative.

A motion was made to subjoin to the last clause agreed to, as follows:

"Provided, nevertheless, That nothing herein contained shall be construed to exclude the right of amending the same, on giving twelve months' notice, from and after the first day of January, 1800;"

And, after debate, the further consideration hereof was postponed.

FRIDAY, January 14.

The Senate proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —; and the question being taken on the motion made yesterday and postponed, to wit:

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"*Provided, nevertheless,* That nothing herein contained shall be construed to exclude the right of amending the same, on giving twelve months' notice, from and after the first day of January, 1800."

It passed in the negative.

On motion, it was agreed to reconsider the term of incorporation agreed to yesterday, and limit it to the fourth day of March, 1811; and, having made further progress in the bill,

The Senate adjourned.

MONDAY, January 17.

JAMES GUNN, from Georgia, attended.

The Senate proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —; and, after progress, the further consideration thereof was postponed.

The following message from the President of the United States was received:

*Gentlemen of the Senate,  
and House of Representatives:*

I lay before you an official statement of the appropriation of ten thousand dollars, granted to defray the contingent expenses of Government, by an act of the 26th of March, 1790.

A copy of two resolutions of the Legislature of Virginia, and a petition of sundry officers and assignees of officers and soldiers of the Virginia line on Continental establishment, on the subject of bounty lands allotted to them on the Northwest side of the Ohio; and

A copy of an act of the Legislature of Maryland, to empower the Wardens of the port of Baltimore to levy and collect the duty therein mentioned.

GEO. WASHINGTON.

UNITED STATES, January 17th, 1791.

*Ordered,* That the message lie for consideration.

The Senate, on Executive business, received the following communication from the President of the United States:

UNITED STATES, January 17th, 1791.

*Gentlemen of the Senate:*

I lay before you a letter from his Most Christian Majesty, addressed to the President and members of Congress of the United States of America.

GEO. WASHINGTON.

The letter referred to in the message is as follows:

To our very dear friends and allies, the President and members of the General Congress of the United States of North America.

VERY DEAR GREAT FRIENDS AND ALLIES:

We have received the letter by which you inform us of the new mark of confidence that you have shown to Mr. Jefferson, and which puts a period to his appointment of Minister Plenipotentiary at our Court.

The manner in which he conducted during his residence with us, has merited our esteem and entire approbation, and it is with pleasure that we now give him this testimony of it.

It is with the most sincere pleasure that we embrace this opportunity of renewing these assurances of regard and friendship, which we feel for the Uni-

ted States in general, and for each of them in particular; under their influence, we pray God that he will keep you, very dear friends and allies, under his holy and beneficent protection.

Done at Paris, this 11th September, 1790.

Your good friend and ally,

LOUIS,

MONTMORIN, [SEAL.]

The UNITED STATES OF NORTH AMERICA.

*Ordered,* That the Secretary return this letter to the President of the United States.

TUESDAY, January 18.

A letter was read from the Secretary of State, enclosing a Postscript to the Report of measures, weights, and coins, now before the Senate; and,

*Ordered,* That the letter and enclosure lie for consideration.

The papers referred to in the message of the President of the United States, of the 17th instant; were read, and,

*Ordered,* To lie for consideration.

The Senate proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —; and ordered that it be recommended for further amendments.

Mr. STRONG, from the committee to whom was referred the last mentioned bill, reported sundry amendments; which, being agreed to,

The Senate proceeded in the second reading of the bill, and, having amended the same, the further consideration hereof was postponed.

WEDNESDAY, January 19.

A resolution of the Directors of the Library of Philadelphia was then communicated to the Senate, and read, providing that the President, and members of the Senate and House of Representatives of the United States, shall have free use of the books in the Library, in as full and ample manner as if they were members of the company.

The memorial of the Surgeons and Surgeons' Mates in the Medical Department, during a very considerable part of the late war, praying allowance for depreciation, was, by Mr. MORRIS, communicated to the Senate; which, being read, was

*Ordered,* To lie on the table.

The Senate proceeded in the second reading of the bill to incorporate the subscribers to the Bank of —;

On motion to expunge the twelfth section, to wit:

"*And be it further enacted,* That no other bank shall be established, by any future law of the United States, during the continuance of the corporation hereby created; for which the faith of the United States is hereby pledged."

It passed in the negative.

*Ordered,* That this bill pass to the third reading.

The Senate, on Executive business, had before them the message from the President of the

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[JAN. 21, 1791.]

United States, accompanied with a Report from the Secretary of State on a complaint made by the French Government in relation to an extra tonnage on their vessels. This message was committed to Messrs. MORRIS, KING, IZARD, STRONG, and ELLSWORTH.

THURSDAY, January 20.

The Senate proceeded to the third reading of the bill to incorporate the subscribers to the Bank of —; and,

On motion to reconsider the term of incorporation, and limit it to the year 1801, instead of 1811; the yeas and nays were required by one-fifth of the Senators present, and were:

YEAS.—Messrs. Butler, Few, Gunn, Hawkins, Izard, and Monroe.—6.

NAYS.—Messrs. Bassett, Dalton, Dickinson, Ellsworth, Elmer, Foster, Johnson, King, Langdon, MacLay, Morris, Read, Schuyler, Stanton, Strong, and Wingate.—16.

So it passed in the negative.

On motion to expunge the twelfth section, to wit:

*"And be it further enacted, That no other bank shall be established, by any future law of the United States, during the continuance of the corporation hereby created; for which the faith of the United States is hereby pledged."*

The yeas and nays were required by one-fifth of the Senators present, and were:

YEAS.—Messrs. Butler, Few, Hawkins, Izard, and Monroe.—5.

NAYS.—Messrs. Bassett, Dalton, Dickinson, Ellsworth, Elmer, Foster, Gunn, Johnson, Johnston, King, Langdon, MacLay, Morris, Read, Schuyler, Stanton, Strong, and Wingate.—18.

And it passed in the negative.

*Resolved*, That this bill do pass; that the title of it be "An act to incorporate the subscribers to the Bank of the United States;" that it be engrossed, and that the Secretary carry it to the House of Representatives for concurrence.

A motion was made, "That the Secretary furnish any member of the Senate with such extracts from the Executive Journal as he may direct."

*Ordered*, That the consideration of this motion be postponed until to-morrow.

FRIDAY, January 21.

CHARLES CARROLL, from the State of Maryland, attended.

A letter from the Secretary of State was communicated, with sundry enclosures, relative to the American prisoners in Algiers; which, being read,

*Ordered*, That they be referred to the committee who had under consideration that part of the message from the President of the United States, which refers to the trade of the Mediterranean; and that their report of the sixth of January be recommitted.

A message from the House of Representatives informed the Senate, that they have

*"Ordered*, That a committee be appointed, to join a committee of the Senate, to consider and report what time will be proper for the commencement of the next Congress; to the end that timely notice may be given to the members who are to serve for the ensuing two years."

The order of the House of Representatives was read, and agreed to, and

*Ordered*, That Messrs. STRONG, IZARD, and ELLSWORTH, be of the Joint Committee on the part of the Senate; and that the Secretary communicate this appointment to the House of Representatives.

The memorial of the merchants of Philadelphia, trading to India and China, praying such encouragement and protection as in their wisdom Congress shall deem expedient, was, by Mr. MORRIS, presented and read; and

*Ordered*, That it lie for consideration.

The Senate resumed the consideration of the motion made yesterday, to wit:

["That the Secretary furnish any member of the Senate with such extracts from the Executive Journal as he may direct;"]

And it was agreed to amend the motion to read as follows:

*"Resolved*, That the Secretary do furnish the members of the Senate, when required, with extracts of such parts of the Executive Journal as are not, by vote of the Senate, considered secret;"]

And it was agreed that the motion be committed to Messrs. ELLSWORTH, GUNN, and KING.

*Ordered*, That the Secretary do furnish Mr. GUNN with an attested copy of sundry extracts from the records of the Senate, when acting in their Executive capacity.

MONDAY, January 24.

The following messages of the President of the United States were received and read:

*Gentlemen of the Senate,  
and House of Representatives.*

I lay before you a statement relative to the frontiers of the United States, which has been submitted to me by the Secretary of the Department of War.

I rely upon your wisdom to make such arrangements as may be essential for the preservation of good order, and the effectual protection of the frontiers.

GEO. WASHINGTON.

UNITED STATES, January 24, 1791.

*Ordered*, That the Secretary communicate the message and papers accompanying it, to the House of Representatives.

*Gentlemen of the Senate,  
and House of Representatives.*

In execution of the powers with which Congress were pleased to invest me, by their act entitled "An act for establishing the temporary and permanent seat of Government of the United States;" and, on mature consideration of the advantages and disadvantages of the several positions within the limits prescribed by the said act, I have, by a proclamation bearing date this day, (a copy of which is herewith transmitted,) directed commissioners, appointed in pursuance of the act, to survey and limit a part of the territory of

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ten miles square, on both sides of the river Potomac, so as to comprehend Georgetown, in Maryland, and extend to the Eastern Branch.

I have not, by this first act, given to the said territory the whole extent of which it is susceptible in the direction of the river; because I thought it important that Congress should have an opportunity of considering whether by an amendatory law they would authorize the location of the residue, at the lower end of the present, so as to comprehend the Eastern Branch itself, and some of the country on its lower side, in the State of Maryland, and the town of Alexandria, in Virginia. If, however, they are of opinion that the Federal Territory should be bounded by the water edge of the Eastern Branch, the location of the residue will be to be made at the upper end of what is now directed.

I have thought best to await a survey of the territory, before it is decided on what particular spot on the northeastern side of the river, the public buildings shall be erected.

GEO. WASHINGTON.

UNITED STATES, January 24, 1791.

*Ordered*, That this message lie for consideration.

TUESDAY, January 25.

Mr. STRONG reported, from the joint committee appointed, on the 21st inst., "to consider and report what time will be proper for the commencement of the next Congress."

*Ordered*, That the report lie for consideration.

WEDNESDAY, January 26.

The following message was received from the President of the United States:

*Gentlemen of the Senate,  
and House of Representatives:*

I lay before you the copy of a letter from the President of the National Assembly of France to the President of the United States; and of a decree of that Assembly, which was transmitted with the above-mentioned letter.\* GEO. WASHINGTON.

UNITED STATES, January 26, 1791.

The message and papers were read.

Mr. ELLSWORTH, from the committee to whom was referred the bill "concerning Consuls and Vice Consuls," reported amendments; which report was agreed to; whereupon,

The Senate proceeded in the second reading of the bill; which was amended conformably to the report, and

*Ordered*, That this bill pass to the third reading.

THURSDAY, January 27.

Agreeably to the order of the day, the Senate proceeded to the third reading of the bill "concerning Consuls and Vice Consuls;" and,

*Resolved*, That this bill do pass, and that the Secretary carry it to the House of Representatives, and desire concurrence therein.

\* A copy of which is given in the Appendix to this volume.

The Senate on Executive business. Mr. MORRIS, from the committee appointed to take into consideration the message of the President of the United States of the 19th inst., made a report, which was ordered to lie for consideration.

The following message was received from the President of the United States:

*Gentlemen of the Senate,  
and House of Representatives:*

In order that you may be fully informed of the situation of the frontiers, and the prospects of hostility in that quarter, I lay before you the intelligence of some recent depredations, received since my message to you upon this subject of the 24th instant.

GEO. WASHINGTON.

UNITED STATES, January 27, 1791.

The message and papers therein referred to were read; and,

*Ordered*, That the Secretary communicate them to the House of Representatives.

FRIDAY, January 28.

The petition of a number of the inhabitants of the county of Lancaster was read, praying that the bill laying an excise on spirituous liquors, pending before Congress, may not pass, for reasons therein expressed.

*Ordered*, That the petition lie on the table.

A message from the House of Representatives informed the Senate that they have passed a bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same; in which they desire the concurrence of the Senate.

*Ordered*, That this bill have the first reading at this time.

*Ordered*, That this bill pass to the second reading.

Another message from the House of Representatives informed the Senate that they have passed the bill declaring the consent of Congress that a new State be formed within the jurisdiction of the Commonwealth of Virginia, and admitted into this Union, by the name of the State of Kentucky.

The Senate, on Executive business, took into consideration the report of Mr. MORRIS, made yesterday; but, after debate, the further consideration thereof was postponed.

MONDAY, January 31.

A message was received from the House of Representatives, informing the Senate that they had passed a bill declaring the consent of Congress to a certain act of the State of Maryland, in which they desire the concurrence of the Senate; and that they had agreed to the report of the committee appointed on their part to confer with the committee on the part of the Senate, respecting the time for the commencement of the next session of Congress.

The resolution of the House of Representa-

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tives, agreeing to the report of the committee appointed to confer with the committee of the Senate, on the time for the commencement of the next session of Congress, was read, and the consideration thereof was postponed.

The bill declaring the consent of Congress to a certain act of the State of Maryland, was read the first time; and,

*Ordered*, That this bill pass to the second reading.

The Senate proceeded to the second reading of the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same.

*Ordered*, That the further consideration hereof be postponed until Wednesday next.

*Ordered*, That Messrs. MONROE, SCHUYLER, and READ, be a committee to take into consideration the extract of a letter from Governor Randolph, of Virginia, communicated by message from the President of the United States; together with the resolutions of the Commonwealth of Virginia, relative to the bounty lands to the officers and soldiers of the Virginia line on continental establishment; and to report what is proper to be done thereon.

Mr. LANGDON, from the committee to whom was referred that part of the message of the President of the United States which relates to the commerce of the Mediterranean; together with the message of the President of the United States, of 30th December, made report.

*Ordered*, That this report lie for consideration.

The Senate on Executive business, resumed the consideration of the report of the committee, made the 27th inst.; which, after debate, was further postponed.

#### TUESDAY, February 1.

The bill declaring the consent of Congress to a certain act of the State of Maryland, was read the second time; and,

*Ordered*, That this bill pass to the third reading.

The Senate, on Executive business. Mr. LANGDON, from the committee appointed as per Legislative Journal, Dec. 15, 1790, made a report on that part of the speech of the President of the United States, which relates to the commerce of the Mediterranean, together with his message recorded; also, on the Legislative Journal of the 30th of December, 1790, and on the letter of the 20th of January, from the Secretary of State, respecting the American prisoners in captivity at Algiers, with the papers accompanying the same; and the following resolution was entered into:

*Resolved*, That the Senate advise and consent that the President of the United States take such measures as he may think necessary for the redemption of the citizens of the United States now in captivity at Algiers, provided the expense shall not exceed

forty thousand dollars; and, also, that measures be taken to confirm the treaty now existing between the United States and the Emperor of Morocco.

*Ordered*, That the Secretary communicate this resolution to the President of the United States.

Mr. LANGDON, from the committee appointed the 15th of December, 1790, as recorded on the Legislative Journal of that date, reported January the 6th, 1791, on the same subject:

"That the trade of the United States to the Mediterranean cannot be protected but by a naval force, and that it will be proper to resort to the same as soon as the state of the public finances will admit."

On motion,

*Ordered*, That this report be re-committed, with an instruction to the committee to consider the subject, and report generally thereon.

#### WEDNESDAY, February 2.

A message from the House of Representatives was received, informing the Senate that they had passed the bill making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes.

The bill from the House of Representatives was read the first time.

*Ordered*, That this bill pass to the second reading.

The Senate proceeded to the third reading of the bill declaring the consent of Congress to a certain act of the State of Maryland; and,

*Resolved*, That this bill do pass, and that the Secretary acquaint the House of Representatives with the concurrence of the Senate therein.

The Senate proceeded in the second reading of the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same; and, after debate,

*Ordered*, That this bill be committed to Messrs. MORRIS, ELLSWORTH, LANGDON, SCHUYLER, and STRONG.

The Senate on Executive business. A letter from the Secretary of State, enclosing an extract of one from William Short, Chargé des Affaires at the Court of France, was read. Both the letter and its enclosure lie for consideration.

#### THURSDAY, February 3.

The Senate proceeded in the second reading of the bill making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes.

*Ordered*, That it be committed to Messrs. DALTON, CARROLL, and BASSETT.

#### FRIDAY, February 4.

A message from the House of Representatives brought to the Senate a report of the Secretary

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of State made to that House, in relation to the Cod and Whale fisheries.

The report and papers therein referred to were read; and,

*Ordered*, To be printed.

SATURDAY, February 5.

Mr. DALTON, from the committee appointed to consider and report on the bill sent from the House of Representatives, making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes, reported sundry amendments.

*Ordered*, That this report lie until Monday next for consideration.

MONDAY, February 7.

The Senate proceeded to consider the amendments reported by the committee on the bill making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes; to which amendments the Senate did not agree; whereupon,

*Ordered*, That this bill pass to the third reading.

A message from the House of Representatives informed the Senate that they had ordered that the report of the Secretary of the Treasury, relative to the establishment of a mint, be sent to the Senate for their information.

*Ordered*, That the report of the Secretary of the Treasury relative to the establishment of a mint be referred to Messrs. MORRIS, IZARD, KING, MONROE, and SCHUYLER, to consider and report what is proper to be done thereon.

Mr. MORRIS, from the committee appointed to consider and report on the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same, reported the bill amended.

The amendments were read; and,

*Ordered*, That they be printed for the use of the Senate.

TUESDAY, February 8.

The Senate proceeded to the third reading of the bill making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes.

*Resolved*, That this bill do pass.

The Senate proceeded to consider the amendments reported by the committee on the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same.

And, having made progress in the consideration of the report,

The Senate adjourned.

WEDNESDAY, February 9.

A message from the House of Representatives informed the Senate that they had passed the bill sent from the Senate, to incorporate the subscribers to the Bank of the United States.

The Senate proceeded to consider the report of the committee on the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same; to which report having agreed, and that the bill be amended conformably,

*Ordered*, That the bill pass to the third reading.

The following message was received from the President of the United States:

*Gentlemen of the Senate,  
and House of Representatives:*

I have received from the Governor of Vermont, authentic documents expressing the consent of the Legislatures of New York and of the Territory of Vermont, that the said Territory shall be admitted to be a distinct member of our Union; and a memorial of Nathaniel Chipman and Lewis R. Morris, commissioners from the said Territory, praying the consent of Congress to that admission, by the name and style of the State of Vermont; copies of which I now lay before Congress, with whom the Constitution has vested the object of these proceedings.

GEO. WASHINGTON.

UNITED STATES, February 9, 1791.

*Ordered*, That the message from the President of the United States of this date, with the papers accompanying it, be referred to Messrs. KING, MONROE, ELLSWORTH, LANGDON, and HAWKINS, to consider and report what is proper to be done thereon.

THURSDAY, February 10.

Mr. KING, from the committee to whom was referred the message from the President of the United States of the 9th instant, relative to the State of Vermont, with the papers therein contained, reported a bill for the admission of the State of Vermont into this Union.

This bill was read the first time.

*Ordered*, That this bill pass to the second reading.

The Senate proceeded to the third reading of the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same; but, after some debate, and attempt at amendment, the Senate adjourned without getting through the bill.



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[FEB. 14, 1791.]

FRIDAY, February 11.

A message from the House of Representatives informed the Senate that they had passed a bill authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged.

Also, the bill to continue in force, for a limited time, an act passed at the first session of Congress, entitled 'An act to regulate processes in the Courts of the United States;' in which they desire the concurrence of the Senate.

The Senate proceeded to the first reading of the bill sent from the House of Representatives for concurrence, to continue in force, for a limited time, an act passed at the first session of Congress, entitled 'An act to regulate processes in the Courts of the United States;' and the bill authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged.

The Senate proceeded to give the first bill its first reading, and to order it to be read a second time.

The bill authorizing the President to cause the debt due to foreign officers to be discharged, was read a first time, and ordered to be read a second time.

A message from the House of Representatives informed the Senate that they have passed the bill to alter the time of the next meeting of Congress; in which they desire the concurrence of the Senate.

This bill was read a first time and ordered to be read a second time.

The bill for the admission of the State of Vermont into this Union was read the second time; and,

On motion, it was agreed that the second section should be expunged.

*Ordered*, That this bill pass to the third reading.

On motion, it was agreed by unanimous consent, to dispense with the rule, so far as to permit Mr. KING at this time to bring in a bill regulating the number of representatives to be chosen by the States of Kentucky and Vermont; which bill was read the first time.

It was agreed, by unanimous consent, that the rule be so far dispensed with, as that this bill be now read the second time.

*Ordered*, That this bill pass to the third reading.

Mr. MORRIS reported, from the committee instructed to consider the fourth section of the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same, a further amendment; and the report was adopted.

*Ordered*, That the report and the bill be re-committed, and that the committee be instructed to conform the bill to the several amendments agreed on.

SATURDAY, February 12.

The Senate proceeded to the third reading of the bill for the admission of the State of Vermont into this Union.

*Resolved*, That this bill do pass, and that the Secretary carry it to the House of Representatives, and desire their concurrence therein.

The Senate proceeded to the third reading of the bill regulating the number of representatives to be chosen by the States of Kentucky and Vermont.

*Resolved*, That this bill do pass.

The Senate proceeded to the consideration of the report of the joint committee appointed to confer on and report what time will be proper for the commencement of the next session of Congress; and,

*Ordered*, That the further consideration hereof be postponed to this day se'nnight.

The resolution of the House of Representatives of the 28th January, on the report of the joint committee on this subject, was read.

*Ordered*, That the consideration thereof be postponed to the same time.

A message from the House of Representatives informed the Senate that they had passed a bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers.

The bill was read the first time.

*Ordered*, That this bill pass to the second reading.

MONDAY, February 14.

A message from the House of Representatives informed the Senate that they have passed the bill sent from the Senate, for the admission of the State of Vermont into this Union.

The Senate, on motion, ordered, that the resolutions of the Assembly of Virginia, upon the claims of sundry individuals, with the papers accompanying them, be referred to the committee appointed the 31st of January, to take into consideration the extract of a letter from Governor Randolph, relative to the bounty lands to the officers and soldiers of the Virginia line, on Continental establishment.

The Senate proceeded to the third reading of the bill sent from the House of Representatives for concurrence, to continue in force for a limited time, an act passed at the first session of Congress, entitled 'An act to regulate processes in the Courts of the United States.'

*Resolved*, That this bill pass.

The Senate proceeded to the second reading of the bill sent from the House of Representatives, for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers.

The Senate on Executive business. The following message from the President of the United States was under consideration:

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UNITED STATES, February 14th, 1791.

*Gentlemen of the Senate:*

Conceiving that in the possible event of a refusal of justice on the part of Great Britain, we should stand less committed should it be made to a private rather than a public person, I employed Mr. Gouverneur Morris, who was on the spot, and without giving him any definite character, to enter informally into the conferences before mentioned. For your more particular information, I lay before you the instructions I gave him, and those parts of his communications wherein the British ministers appear either in conversation or by letter. These are two letters from the Duke of Leeds to Mr. Morris, and three letters of Mr. Morris, giving an account of two conferences with the Duke of Leeds, and one with him and Mr. Pitt. The sum of these is, that they declare, without scruple, they do not mean to fulfil what remains of the Treaty of Peace to be fulfilled on their part, (by which we are to understand the delivery of the posts and payment for property carried off) till performance on our part, and compensation where the delay has rendered the performance now impracticable; that on the subject of a treaty of commerce they avoided direct answers, so as to satisfy Mr. Morris they did not mean to enter into one unless it could be extended to a treaty of alliance offensive and defensive, or unless in the event of a rupture with Spain.

As to the sending a Minister here, they made excuses at the first conference, seem disposed to it in the second, and in the last express an intention of so doing.

Their views being thus sufficiently ascertained, I have directed Mr. Morris to discontinue his communications with them. GEO. WASHINGTON.

*Ordered,* That this message lie for consideration.

TUESDAY, February 15.

RICHARD HENRY LEE, from Virginia, attended.

No business of importance before the Senate to-day.

WEDNESDAY, February 16.

Mr. CARROLL gave notice, that to-morrow he intended to move for leave to bring in a bill to amend the act entitled "An act for establishing the temporary and permanent seat of the Government of the United States," pursuant to the plan suggested in the President's message of the 24th of January last.

On motion,

*Ordered,* that the Secretary of the Treasury cause a statement of the exports of the United States, for one year, to be laid before the Senate; enumerating therein the articles of export, the value thereof, and the countries to which the same shall have been exported.

The petition of the masters of American vessels, in the port of Charleston, South Carolina, praying some further regulations for the encouragement of the carrying trade to Europe, was read.

*Ordered,* That this petition lie on the table.

A message from the House of Representatives informed the Senate that they have pass-

ed a bill to establish offices for the purpose of granting lands within the Territories of the United States, in which they desire the concurrence of the Senate. The bill received its first reading.

THURSDAY, February 17.

The Senate proceeded to the second reading of the bill to establish offices for the purpose of granting lands within the territory of the United States.

*Ordered,* That the further consideration hereof be postponed.

Agreeably to notice given yesterday, leave was requested to bring in a bill to amend an act, entitled "An act for establishing the temporary and permanent seat of the Government of the United States."

And, on the question, Shall leave be given to bring in the bill moved for? the yeas and nays were required by one-fifth of the Senators present:

YEAS.—Messrs. Butler, Carroll, Dickinson, Elmer, Few, Gunn, Hawkins, Henry, Johnston, Izard, Langdon, Lee, Monroe, Morris, Read, Stanton, Strong.—17.

NAYS.—Messrs. Dalton, Ellsworth, Foster, Johnson, King, Maclay, Wingate.—7.

So it passed in the affirmative.

And the bill was accordingly brought in and read the first time.

Mr. SCHUYLER, from the committee appointed to take into consideration the bill sent from the House of Representatives for concurrence, for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers, reported the bill amended.

FRIDAY, February 18.

The Senate received the following message from the President:

*Gentlemen of the Senate,  
and of the House of Representatives.*

I have received from the Secretary of State a report on the proceedings of the Governor of the Northwestern Territory, at Kaskaskia, Kahokia, and Prairie, under the resolution of Congress of August 29, 1788, which, containing matter proper for your consideration, I lay the same before you.

GEO. WASHINGTON.

UNITED STATES, February 18, 1791.

*Ordered,* That the message and papers therein referred to lie for consideration.

Agreeably to the order of the day, the Senate proceeded in the second reading of the bill establishing offices for the purpose of granting lands within the territories of the United States.

*Ordered,* That the consideration thereof be postponed.

The Senate proceeded to the second reading of the "bill to amend an act, entitled an act for establishing the temporary and permanent

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seat of the Government of the United States;" and,

On motion to postpone the consideration of the bill to this day sevensnight, the yeas and nays were required by one fifth of the members present:

YEAS.—Messrs. Dalton, Dickinson, Ellsworth, Elmer, Foster, Johnson, King, Langdon, Maclay, Morris, Read, Schuyler, Stanton, Strong, Wingate.—15.

NAYS.—Messrs. Butler, Carroll, Few, Gunn, Hawkins, Henry, Johnston, Izard, Lee, Monroe.—10.

So it passed in the affirmative.

The Senate on Executive business. The following message from the President of the United States was under consideration:

UNITED STATES, February 18, 1791.

*Gentlemen of the Senate:*

The aspect of affairs in Europe during the last summer, and especially between Spain and England, gave reason to expect a favorable occasion for pressing to accommodation the unsettled matters between them and us. Mr. Carmichael, our Chargé des Affaires at Madrid, having been long absent from his country, great changes having taken place in our circumstances and sentiments during that interval, it was thought expedient to send some person in a private character, fully acquainted with the present state of things here, to be the bearer of written and confidential instructions to him, and at the same time to possess him in full and frequent conversations, of all those details of facts and topics of arguments, which could not be conveyed in writing; but which would be necessary to enable him to meet the reasonings of that Court with advantage. Colonel David Humphreys was therefore sent for these purposes.

An additional motive for this confidential mission arose in the same quarter. The Court of Lisbon had, on several occasions, made the most amicable advances for cultivating friendship and intercourse with the United States. The exchange of a diplomatic character had been informally, but repeatedly suggested on their part. It was our interest to meet this nation in its friendly dispositions, and to concur in the exchange proposed. But my wish was, at the same time, that the character to be exchanged should be of the lowest and most economical grade. To this it was known that certain rules of long standing at that Court would produce obstacles. Colonel Humphreys was charged with despatches to the Prime Minister of Portugal, and with instructions to endeavor to arrange this to our views. It happened, however, that, previous to his arrival at Lisbon, the Queen had appointed a Minister resident to the United States. This embarrassment seems to have rendered the difficulty completely insurmountable. The Minister of that Court, in his conferences with Colonel Humphreys, professing every wish to accommodate, yet expresses his regrets that circumstances do not permit them to concur in the grade of Chargé des Affaires, a grade of little privilege or respectability by the rules of their Court, and held in so low estimation with them that no proper character would accept it, to go abroad. In a letter to the Secretary of State he expresses the same sentiments, and announces the appointment, on their part, of a Minister resident to the United States, and the pleasure with which the Queen will receive one from us at her Court. A copy of his letter, and also of Co-

lonel Humphreys, giving the details of this transaction, will be delivered to you.

On consideration of all circumstances I have determined to accede to the desire of the Court of Lisbon in the article of grade. I am aware that the consequences will not end here, and that this is not the only instance in which a like change may be pressed. But should it be necessary to yield elsewhere also, I shall think it a less evil than to disgust a Government so friendly and so interesting to us as that of Portugal.

I do not mean that the change of grade shall render the mission more expensive.

I have therefore nominated David Humphreys Minister resident from the United States to Her Most Faithful Majesty the Queen of Portugal.

GEO. WASHINGTON.

*Ordered*, That this message lie for consideration.

SATURDAY, February 19.

The Senate resumed the consideration of the bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers, reported by the committee with amendments; and

On motion to adopt the first section of the bill, as sent from the House of Representatives, and reported by the committee of the Senate, the yeas and nays were required by one-fifth of the Senators present:

YEAS.—Messrs. Carroll, Dalton, Dickinson, Ellsworth, Elmer, Foster, Henry, Johnson, Johnston, Izard, King, Langdon, Schuyler, Stanton, and Strong.—15.

NAYS.—Messrs. Butler, Few, Gunn, Maclay, Monroe, and Wingate.—7.

So it passed in the affirmative.

On the motion to add, after the tenth section agreed to, with an amendment reported by the committee,

*And be it further enacted*, That if the President of the United States should be of opinion that the service for which the aforesaid regiment is intended, can be performed by the militia, or troops under the denomination of levies, he is fully authorized, any thing heretofore to the contrary notwithstanding, to substitute levies or militia accordingly, to continue in pay during such term only as the President of the United States, in his discretion, shall deem it requisite for the public service, or until the next session of Congress.

It passed in the negative.

Other amendments were reported by the committee and adopted, and it was agreed to amend the bill accordingly.

*Ordered*, That this bill pass to the third reading.

The second reading of the bill to alter the time of the next meeting of Congress, was postponed until Tuesday next.

It was agreed further to postpone the report of the committee appointed to consider and report what time will be proper for the commencement of the next Congress, together with the resolution of the House of Representatives thereon.

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MONDAY, February 21.

A message was received from the House of Representatives, informing the Senate that they had agreed to the amendments of the Senate to the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same, with amendments; in which amendments the House of Representatives desire the concurrence of the Senate.

The Senate proceeded to consider the resolutions of the House of Representatives of the 17th February, on the amendments of the Senate to the bill last mentioned; part of which they agreed to, and others they disagreed to.

A message from the House of Representatives informed the Senate that they had passed a bill for giving effect to the laws of the United States within the State of Vermont; to which they desire the concurrence of the Senate.

The bill was read the first time.

The Senate resumed the second reading of the bill to establish offices for the purpose of granting lands within the territories of the United States.

*Ordered*, That this bill be committed to MESSRS. STRONG, ELLSWORTH, FOSTER, KING, and MONROE, to consider and report what is proper to be done thereon.

MR. SCHUYLER gave notice that to morrow he intended to move for leave to bring in "a bill to provide for the payment of balances due to the United States in certain cases."

The Senate on Executive business. They proceeded to the consideration of the message from the President of the 18th inst., and the nomination therein contained, of David Humphreys to be Minister resident from the United States to Her Most Faithful Majesty, the Queen of Portugal, and the Senate advised and consented to his appointment.

TUESDAY, February 22.

The Senate proceeded to the second reading of the bill sent from the House of Representatives for concurrence, entitled "An act for giving effect to the laws of the United States within the State of Vermont," and having agreed to an amendment,

*Ordered*, That this bill pass to the third reading.

The second reading of the bill, sent from the House of Representatives for concurrence, to alter the time for the next meeting of Congress, was resumed.

On motion to insert "the second Monday in September," in place of "the first Monday of November,"

It passed in the negative.

And, on the question, shall this bill be read the third time?

It passed in the negative.

A message from the House of Representatives informed the Senate that they had passed a bill to explain and amend an act, entitled "An act making further provision for the payment of the debts of the United States," in which they desire the concurrence of the Senate.

The bill was read a first time, and ordered to a second reading.

MR. MACLAY reported, from the committee appointed to consider the bill sent from the House of Representatives for concurrence, entitled "An act authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged,"

*Ordered*, That the report lie for consideration.

On motion,

*Resolved*, by the Senate and House of Representatives of the United States of America in Congress assembled; That the President of the United States be requested to cause to be communicated to the National Assembly of France the peculiar sensibility of Congress to the tribute paid to the memory of Benjamin Franklin, by the enlightened and free Representatives of a great nation, in their decree of the eleventh day of June, one thousand seven hundred and ninety.

*Ordered*, That the Secretary carry this resolution to the House of Representatives, and desire their concurrence.

The Senate on Executive business. The following messages from the President were laid before them:

UNITED STATES, February 22, 1791.

*Gentlemen of the Senate*:

I will proceed to take measures for the ransom of our citizens in captivity at Algiers, in conformity with your resolution of advice of the first instant, so soon as the moneys necessary shall be appropriated by the Legislature, and shall be in readiness.

The recognition of our treaty with the new Emperor of Morocco requires also previous appropriation and provision. The importance of this last to the liberty and property of our citizens, induces me to urge it on your earliest attention.

GEO. WASHINGTON.

*Ordered*, That the message be committed to the committee appointed the 15th of December, 1790, to consider and report on that part of the President's message relating to the commerce of the Mediterranean.

UNITED STATES, February 22, 1791.

*Gentlemen of the Senate*:

I lay before you a report of the Secretary of War, relative to the appointment of two Brigadier Generals of Militia in the Territory of the United States south of the Ohio; and I nominate John Sevier to be Brigadier General of the Militia of Washington district; and James Robertson to be Brigadier General of the Militia of Miro district, both within the said Territory.

GEO. WASHINGTON.

*Ordered*, That this message lie for consideration.

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WEDNESDAY, February 23.

The Senate proceeded to the second reading of the bill sent from the House of Representatives for concurrence, to explain and amend an act, entitled "An act making further provision for the payment of the debts of the United States."

*Ordered*, That this bill pass to the third reading.

The bill sent from the House of Representatives for concurrence, for giving effect to the laws of the United States within the State of Vermont, was read the third time.

*Resolved*, That this bill pass, with the following amendment:

At the end of the bill, add,

"*Provided*, nevertheless, That the exception contained in the sixty-ninth section of the act last above mentioned, relative to the district of Louisville, shall be, and is hereby, extended to the said port of Allburgh."

*Ordered*, That the Secretary desire the concurrence of the House of Representatives in this amendment.

The Senate proceeded to the consideration of the report of the committee on the bill sent from the House of Representatives for concurrence, authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged. Whereupon,

*Resolved*, That this bill do not pass to a third reading.

A message from the House of Representatives informed the Senate that they insist on their amendment to the last clause of the section proposed by the Senate to follow section sixty-first, of the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same; that they have agreed to the resolution requesting the President of the United States to cause a communication to be made to the National Assembly of France, respecting the late Benjamin Franklin; and that they have passed a bill supplementary to the act entitled "An act to incorporate the subscribers to the Bank of the United States;" in which they desire the concurrence of the Senate.

The Senate proceeded to consider the resolution of the House of Representatives, insisting on their amendment to the last clause of the section proposed by the Senate, to follow section sixty-first of the bill, entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same;" and insisted on their amendment to the amendment of the House of Representatives to the said clause.

*Resolved*, That a conference be desired with such managers as the House of Representatives may appoint on their part, on the subject of disagreement,

and that Messrs. ELLSWORTH, KING, and MORRIS, be the managers, at the conference proposed, on the part of the Senate.

The bill sent from the House of Representatives for concurrence, entitled "An act supplementary to the act, entitled an act to incorporate the subscribers to the Bank of the United States," was read a first time and ordered to a second reading.

Mr. MONROE gave notice, that to-morrow he intended to move that the doors of the Senate Chamber be opened, to the end that the citizens of the United States may be admitted to hear the debates of the Senate.

A message from the House of Representatives informed the House that they have agreed to the proposed conference on the amendment to the amendment of the Senate, on the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same, and have appointed managers on their part.

A motion was made that the Senate agree to the following resolution:

Whereas the duties imposed by law on the Attorney General of the United States require the aid of clerks, and are attended with other expenses, for which no provision hath been made:

*Resolved*, That, for the space of one year from the date hereof, and from thence to the end of the succeeding session of Congress, there be allowed to the said Attorney General at the rate of — dollars per annum, for the purposes aforesaid.

*Ordered*, That the consideration of this motion be postponed until to-morrow.

The Senate on Executive business. They proceeded to the consideration of the message from the President of the United States, of the 22d instant, and the nominations therein contained, of John Sevier, to be Brigadier General of the militia of Washington district, and James Robertson, to be Brigadier General of the militia of Miro district, both within the territory of the United States south of the Ohio; and

*Resolved*, That they do advise and consent to the appointments therein mentioned, respectively.

They then considered the following message from the President:

UNITED STATES, February 23, 1791.

Gentlemen of the Senate:

Information having been received from Thomas Auldjo, who was appointed Vice-Consul of the United States at Cowes, in Great Britain, that his commission has not been recognised by that Government, because it is a port at which no foreign Consul has yet been received, and that it has been intimated to him that his appointment to the port of Poole, and parts nearer to that than to the residence of any other Consul of the United States, would be recognised, and his residence at Cowes not noticed; I have, therefore, thought it expedient to nominate Thomas Auldjo to be Vice-Consul for the United States at the port of Poole, in Great Britain, and such parts within the allegiance of his Britannic Majesty as shall be

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nearer thereto than to the residence of any other Consul or Vice-Consul of the United States within the same allegiance.

I also nominate James Yard, of Pennsylvania, to be Consul for the United States in the island of Santa Cruz, and such other parts within the allegiance of his Danish Majesty, as shall be nearer thereto than to the residence of any other Consul or Vice-Consul of the United States within the same allegiance.

GEO. WASHINGTON.

*Ordered*, That this message lie for consideration.

THURSDAY, February 24.

The bill sent from the House of Representatives for concurrence, supplementary to the act entitled, "An act to incorporate the subscribers to the Bank of the United States," was then read the second time; and, on the question, Shall this bill pass to the third reading? the yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Bassett, Butler, Dalton, Dickinson, Ellsworth, Elmer, Few, Hawkins, Henry, Johnson, Johnston, Izard, King, Langdon, Lee, Maclay, Morris, Read, Schuyler, Stanton, Strong, and Wingate.—22.

NAYS.—Messrs. Carroll, Gunn, and Monroe.—3.

So it was

*Ordered*, That this bill pass to the third reading.

The Senate proceeded to the third reading of the bill sent from the House of Representatives for concurrence, to explain and amend an act, entitled "An act making further provision for the payment of the debts of the United States;" and,

*Resolved*, That this bill pass.

A motion was made that the Senate agree to the following resolution:

Whereas the duties of the Treasury Department are greatly increased by different acts passed since the establishment of the office, insomuch as to make the salaries of the officers inadequate to the fatigue and attention requisite; and whereas the time of the present session will not admit of regulating the salaries by bill:

*Resolved*, That, for the space of one year, the salaries of the different officers shall be advanced in the proportion of twenty-five per cent. on their present allowance.

*Ordered*, That the foregoing motion be referred to Messrs. ELLSWORTH, BUTLER, READ, STRONG, and KING; together with the motion made yesterday, respecting an additional compensation to the Attorney General of the United States; and that the committee be instructed to consider and report generally thereon.

A message from the House of Representatives informed the Senate that they had passed the bill fixing the time for the next annual meeting of Congress, in which they desire the concurrence of the Senate. The House agree to the amendment of the Senate to the bill, entitled "An act for giving effect to the laws of the United States within the State of Vermont."

On motion to reconsider the resolution of this date, passing a bill to explain and amend an act, entitled "An act making further provision for the payment of the debts of the United States," the bill being still in the possession of the Senate,

It passed in the negative.

The bill sent to the House of Representatives for concurrence, entitled "An act fixing the time for the next annual meeting of Congress," was read the first time.

*Ordered*, that this bill pass to the second reading.

Agreeably to notice given yesterday, it was moved that the Senate agree to the following resolutions, to wit:

*Resolved*, That it be a standing rule, that the doors of the Senate Chamber remain open whilst the Senate shall be sitting in a legislative capacity, except on such occasions as, in their judgment, may require secrecy; and that this rule shall commence and be in force on the first day of the next session of Congress.

*Resolved*, That the Secretary of the Senate request the Commissioners of the city and county of Philadelphia to cause a proper gallery to be erected for the accommodation of an audience.

After debate thereon,

The Senate entered on Executive business. They proceeded to the consideration of the message from the President of the United States, of the 23d inst. and the nominations therein contained, of Thomas Auldjo, to be Vice-Consul for the United States at the port of Poole, in Great Britain; and such parts within the allegiance of his Britannic Majesty as shall be nearer thereto than to the residence of any other Consul or Vice-Consul of the United States within the same allegiance; and James Yard, of Pennsylvania, to be Consul for the United States in the island of Santa Cruz, and such other parts within the allegiance of his Danish Majesty, as shall be nearer thereto than to the residence of any other Consul or Vice Consul of the United States within the same allegiance; and.

*Resolved*, That they do advise and consent to the appointments therein mentioned, respectively.

FRIDAY, February 25.

The Senate proceeded to the consideration of the second reading of the bill sent from the House of Representatives for concurrence, fixing the time for the next annual meeting of Congress.

On motion to substitute "the first Monday of April," for "the fourth Monday of October," it passed in the negative.

*Ordered*, That this bill pass to the third reading.

A communication from the Secretary of the Treasury, explaining the terms on which the loan of three millions of florins, mentioned by the President of the United States to have been negotiated, was read, as follows:

The Secretary of the Treasury, in obedience to the orders of the President of the United States, as



signified in his speech at the opening of the present session, respectfully informs the Senate and House of Representatives—

That the terms of the loan of three millions of florins, mentioned by the President as having been negotiated in Holland, are as follows:

The rate of interest is five per cent.; but the charges form a deduction from the principal sum of four and a half per cent.; which will occasion the real interest to be paid on the sum actually received by the United States, to be equal to five and a quarter per cent. nearly.

The reimbursement is to be made in six equal instalments, commencing in the year 1800, and ending in the year 1804, but it is in the option of the United States to reimburse the whole, or any part of the sum borrowed, at any time they may think proper.

That the disposition which has been made of the above-mentioned sum, is as follows:

One million five hundred thousand florins have been applied, pursuant to the directions of the President of the United States, as a payment to France.

A further sum of about one hundred and sixty thousand florins will also have been appropriated towards a payment on account of the Dutch loans which became due on the first day of February last, including a premium of seventy thousand florins.

The residue is in a situation to be disposed of as may be judged expedient.

A doubt arises how far this loan may be within the meaning of the "act making provision for the reduction of the public debt," on account of the limitation of the rate of interest, which, taking the charges of the loan into calculation, would be somewhat exceeded; and though it is presumed that this limitation was not intended to exclude the addition of the ordinary charges, yet a point of so much delicacy appears to require legislative explanation.

The Secretary of the Treasury begs leave to observe, that it is, in his judgment, highly expedient, and very important to the general operations of the Treasury, that the above-mentioned loan should be deemed to be included within the meaning of the aforesaid act. The residue may, in this case, be applied with material advantage to the purposes of that act, and the part which has been otherwise applied may be hereafter replaced. All which is humbly submitted.

ALEXANDER HAMILTON,

*Secretary of the Treasury.*

*Treasury Department, February 24, 1791.*

*Ordered,* That this report lie for consideration.

The Senate resumed the consideration of the motion made yesterday, to wit:

*Resolved,* That it be a standing rule that the doors of the Senate Chamber remain open whilst the Senate shall be sitting in their legislative capacity, except on such occasions as, in their judgment, may require secrecy; and that this rule shall commence, and be in force, on the first day of the next session of Congress.

On this motion the yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Butler, Foster, Gunn, Hawkins, King, Lee, Maclay, Monroe, and Schuyler.—9.

NAYS.—Messrs. Bassett, Carroll, Dalton, Dickinson, Ellsworth, Elmer, Few, Henry, Johnson, John-

ston, Izard, Langdon, Morris, Read, Stanton, Strong, Wingate.—17.

So it passed in the negative.

A message from the House of Representatives informed the Senate that they had passed a bill supplemental to the act establishing the Treasury Department, in which they desire the concurrence of the Senate.

Agreeably to the order of the day, the Senate resumed the second reading of the bill to amend an act, entitled "An act for establishing the temporary and permanent seat of the Government of the United States."

On motion that the consideration hereof be postponed, the yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Bassett, Dalton, Dickinson, Ellsworth, Elmer, Foster, Johnson, King, Maclay, Stanton, Strong, and Wingate.—12.

NAYS.—Messrs. Butler, Carroll, Few, Gunn, Hawkins, Henry, Johnston, Izard, Langdon, Lee, Monroe, Morris, Read, and Schuyler.—14.

So it passed in the negative.

On motion that the first clause of this bill be agreed to, to wit: from line first, to the word "provided," line fourteenth; the yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Butler, Carroll, Few, Gunn, Hawkins, Henry, Johnston, Izard, Langdon, Lee, Monroe, Morris, Read, and Schuyler.—14.

NAYS.—Messrs. Bassett, Dalton, Dickinson, Ellsworth, Elmer, Foster, Johnson, King, Maclay, Stanton, Strong, and Wingate.—12.

So it passed in the affirmative.

*Ordered,* That this bill pass to the third reading.

Mr. ELLSWORTH reported, from the managers appointed to confer with the managers appointed on the part of the House of Representatives, on the amendments to the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also, upon spirits distilled within the United States, and for appropriating the same.

*Ordered,* That the report lie for consideration.

The bill sent from the House of Representatives for concurrence, entitled "An act supplementary to the act, entitled An act to incorporate the subscribers to the Bank of the United States," was read the third time.

On motion to add the following, as a section, to the bill:

SEC. —. *And be it further enacted,* That the term "law," used in the third section of the original act, which requires that the by-laws, ordinances, and regulations of the said corporation, shall not be contrary to law or the constitution thereof, shall be construed to mean the laws of the individual States, as well as of the United States.

It passed in the negative.

On motion to adopt the following, in addition to the bill:

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*And be it further enacted*, That nothing in the act to which this is a supplement, shall restrain the Legislature from repealing the same, and abolishing the corporation thereby established, at any time after the fourth day of March, one thousand eight hundred and two.

The yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Butler, Carroll, Few, Gunn, Hawkins, Johnston, Izard, Lee, and Monroe.—9.

NAYS.—Messrs. Bassett, Dalton, Dickinson, Ellsworth, Elmer, Foster, Henry, Johnson, King, Langdon, Maclay, Morris, Read, Schuyler, Stanton, Strong, and Wingate.—17.

So it passed in the negative.

*Resolved*, That this bill pass.

*Ordered*, That the Secretary acquaint the House of Representatives with the concurrence of the Senate in this bill.

The bill sent from the House of Representatives for concurrence supplemental to the act establishing the Treasury Department, was read the first time.

The Senate on Executive business. A message from the President nominating Joseph Anderson, of Delaware, to be one of the Judges in the territory of the United States south of the Ohio, in the place of William Perry, who has declined the appointment; and William Murray, of Kentucky, to be Attorney for the United States in the district of Kentucky, in the place of James Brown, who has declined the appointment—lies for consideration.

SATURDAY, February 26.

Mr. MORRIS communicated the request of the American Philosophical Society, "that the Vice President of the United States and the Senate would attend the eulogium to be pronounced by order of the Society, to the memory of their late worthy President, Benjamin Franklin, on Tuesday morning next, at the German Lutheran Church, at half-past nine o'clock."

The bill to amend an act, entitled "An act for establishing the temporary and permanent seat of the Government of the United States," was then read a third time.

*Resolved*, That this bill pass.

The bill sent from the House of Representatives for concurrence, entitled "An act supplemental to the act establishing the Treasury Department," was read the second time; and,

*Ordered*, That this bill be referred to the committee appointed on the 24th of February, on the motions respecting the officers of the Department of the Treasury, and the Attorney General.

The bill sent from the House of Representatives for concurrence, fixing the time for the next annual meeting of Congress, was read the third time.

*Resolved*, That this bill pass.

The bill concerning the balances due to the United States in certain cases, was read a second time.

Mr. STRONG reported, from the committee appointed to take into consideration the bill sent from the House of Representatives for concurrence, to establish offices for the purpose of granting lands within the territories of the United States, that the further consideration of this bill be postponed until the next session of Congress.

On motion, it was agreed to postpone the report of the committee, and to resume the second reading of the bill; and, after debate,

*Ordered*, That this bill be recommitted.

A message from the House of Representatives informed the Senate that they recede from their disagreement to the amendment last proposed by the Senate, to the last clause of the section to follow section sixty-first of the bill, entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and, also, upon spirits distilled within the United States, and for appropriating the same;" and they agree to the amendment amended as follows: After the word "exceed," substitute these words, "seven per cent. of the whole product of the duties arising from the spirits distilled within the United States: *And provided also*, That such allowance shall not exceed the annual amount of forty-five thousand dollars, until the same shall be further ascertained by law."

The report from the managers appointed to confer with the managers appointed on the part of the House of Representatives, on the disagreeing votes of the two Houses, to the last clause of the section to follow section sixty-first of the last mentioned bill, was considered, whereupon,

*Resolved*, That the Senate do agree to the resolution of the House of Representatives, on the clause above referred to, and that the amendment thereon be as follows: After the word "exceed," substitute these words, "seven per cent. of the whole product of the duties arising from the spirits distilled within the United States: *And provided also*, that such allowance shall not exceed the annual amount of forty-five thousand dollars, until the same shall be further ascertained by law."

Mr. ELLSWORTH, from the committee to whom was referred the bill sent from the House of Representatives for concurrence, entitled "An act supplemental to the act establishing the Treasury Department," reported amendments, which were adopted, and,

*Ordered*, That this bill pass to the third reading.

The Senate on Executive business. The nominations of yesterday were confirmed.

The report of the committee to whom was referred the message from the President of the United States, of the 18th instant, with the note of the Chargé d' Affaires of France, of the 13th December, was taken into consideration; and, being amended, was agreed to. Whereupon,

*Resolved*, As the opinion of the Senate, that the 5th article of the treaty of amity and commerce be-

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tween the United States and His Most Christian Majesty, is merely an illustration of the third and fourth articles of the same treaty, by an application of the principles comprised in the last mentioned articles, to the case stated in the former.

*Resolved*, That the Senate do advise that an answer be given to the Court of France, defending, in the most friendly manner, this construction, in opposition to that urged by said Court.

MONDAY, February 28.

The Senate proceeded to the third reading of the bill sent from the House of Representatives for concurrence, supplemental to the act establishing the Treasury Department.

A message from the House of Representatives informed the Senate that they had passed a bill concerning the rates of foreign coins, in which they desire the concurrence of the Senate; and that they agree to the amendments of the Senate to the bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers, with amendments; in which amendments to the amendments they desire the concurrence of the Senate.

The bill sent from the House of Representatives for concurrence concerning the rates of foreign coins, was read the first time.

*Ordered*, That this bill have a second reading.

The Senate took into consideration the resolution of the House of Representatives, on their amendments to the amendments of the Senate, to the bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers; and, after progress, the further consideration thereof was postponed until to-morrow.

Mr. STRONG reported from the committee to whom was referred the bill concerning the payment of balances due to the United States in certain cases; whereupon,

*Ordered*, That the further consideration of this bill be postponed to the next session of Congress.

TUESDAY, March 1.

The bill sent from the House of Representatives for concurrence, entitled "An act concerning the rates of foreign coins," was read the second time; and,

*Ordered*, That it be committed to Messrs. SCHUYLER, MONROE, and MACLAY, to consider generally, and report thereon.

The consideration of the resolution of the House of Representatives on the amendments of the Senate to the bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers, was resumed, and

*Resolved*, That the Senate agree to all amendments of the House of Representatives, on the amendments of the Senate, except the two last, to which the Senate do not agree.

Mr. MORRIS reported, from the committee appointed February 7th, on the report of the Secretary of the Treasury, relative to the establishment of a mint, and the report was ordered to lie for consideration.

Mr. IZARD reported, from the committee to whom was referred the report of the Secretary of State, on the subject of weights, measures, and coins, "that, as a proposition has been made to the National Assembly of France for obtaining a standard of measure which shall be invariable, and communicable to all nations, and at all times; as a similar proposition has been submitted to the British Parliament, in their last session; as the avowed object of these is, to introduce a uniformity in the measures and weights of the commercial nations; as a coincidence of regulation, by the Government of the United States, on so interesting a subject, would be desirable, your committee are of opinion, that it would not be eligible, at present, to introduce any alteration in the measures and weights which are now used in the United States."

And the report was adopted.

On motion, that it be "resolved that a committee be appointed, to join with a committee of the House of Representatives, to wait on the President of the United States, and communicate to him the desire of both Houses of Congress, that he would cause every proper means to be used to bring about a peace between the United States and the Wabash and Miami Indians, previous to further hostilities on those nations, and that Congress will make provision to defray the necessary expense thereof."

A motion was made to add to the motion as follows: "And likewise to obtain from such tribes a relinquishment of their claims to the territory of the United States, wherein it can be accomplished, so as to make the same a more productive fund for the payment of the public debt."

And the consideration hereof was postponed until to-morrow.

Mr. SCHUYLER, from the committee on the bill sent from the House of Representatives for concurrence, entitled "An act concerning the rates of foreign coins," reported amendments, and it was agreed to amend the bill accordingly.

It was agreed, by unanimous consent, so far to dispense with the rule, as that this bill be now read the third time; and, the bill having been read accordingly,

*Resolved*, That this bill pass, with the following amendments:

Expunge the whole of the second section.

In the title, after the word 'act,' expunge the whole, and substitute 'relative to the rix dollar of Denmark.'

*Ordered*, That the Secretary desire the concurrence of the House of Representatives in these amendments.

A message from the House of Representatives informed the Senate that they had passed the bill sent from the Senate for concurrence, en-

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titled An act to amend an act for establishing the temporary and permanent seat of the Government of the United States," that they agree to the amendments of the Senate to the bill supplemental to the act establishing the Treasury Department, and for a further compensation to certain officers; and for making compensations to the Commissioners of Loans, for extraordinary expenses; and the bill providing compensation for the officers of the judicial courts of the United States, and for jurors and witnesses, and for other purposes;" in which two last mentioned bills they desire the concurrence of the Senate.

The bill sent from the House of Representatives for concurrence, entitled "An act for making compensation to the Commissioners of Loans for extraordinary expenses," was read the first time.

The bill sent from the House of Representatives for concurrence, entitled "An act providing compensations for the officers of the judicial courts of the United States, and for jurors and witnesses, and for other purposes," was read the first time, and ordered to a second reading.

Ordered, That Messrs. SCHUYLER, ELLSWORTH, and BUTLER, be a committee to revise the laws of the United States, to report such as are expired, or are about to expire, and a bill or bills for the revival of such as may be deemed necessary.

Mr. LANGDON, from the committee appointed to consider that part of the speech of the President of the United States which relates to the commerce of the Mediterranean, and to whom was referred the message from the President of the United States of the 30th December, and papers, together with his message of 22d February, reported a bill, which was read the first time, entitled "An act making an appropriation for the purposes therein mentioned."

It was agreed, by unanimous consent, so far to dispense with the rule, as that this bill be now read the second time.

On motion to commit the bill, with an instruction to augment the sum of twenty thousand dollars, therein appropriated, to sixty thousand dollars,

It passed in the negative.

Ordered, That this bill pass to the third reading.

Mr. STRONG reported from the committee appointed to take into consideration the bill to establish offices for the purposes of granting lands within the territories of the United States;" whereupon,

*Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States be, and he hereby is, requested to cause a return to be made to Congress, at their next session, of the quantity and situation of the lands not claimed by the Indians, nor granted to nor claimed by any of the citizens of the United States, within the territory ceded to the

United States by the State of North Carolina, and within the territory of the United States northwest of the river Ohio.

Ordered, That the Secretary request the concurrence of the House of Representatives in this resolution.

Ordered, That the further consideration of the bill last mentioned be postponed until the next session of Congress.

The Senate on Executive business. Mr. LANGDON, from the committee to whom was referred the message of the United States of the 22d ult., made a report which was ordered to lie for consideration.

WEDNESDAY, March 2.

A message from the House of Representatives informed the Senate that they recede from their two last amendments to the amendments of the Senate to the bill for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers, and that they agree to the amendments of the Senate to the bill entitled "An act concerning the rates of foreign coin;" and that they have passed the bill to continue in force, for a limited time, entitled "An act for the temporary establishment of the Post-office;" the bill for making compensation to the widows and orphan children of certain officers who were killed, or who died in the service of the United States during the late war; and for the relief of certain invalids, and other persons therein mentioned; and the bill supplementary to the act making provision for the reduction of the public debt; in which three last mentioned bills they desire the concurrence of the Senate.

Mr. SCHUYLER, from the committee appointed to revise the laws of the United States, reported a bill, which was read the first time.

Ordered, That this bill pass to the second reading.

The bill sent from the House of Representatives for concurrence, for making compensation to the widows and orphan children of certain officers who were killed or who died in the service of the United States, during the late war; and for the relief of certain invalids and other persons therein mentioned, was read the first time; and it was agreed, by unanimous consent, that the rule be so far dispensed with, as that this bill be now read the second time.

Ordered, That this bill be committed to Messrs. WINGATE, STRONG, and CARROLL, to consider and report thereon.

The bill sent from the House of Representatives for concurrence, supplementary to the act making provision for the reduction of the public debt, was read the first and second time and postponed till to-morrow.

The bill sent from the House of Representatives for concurrence, to continue in force for a limited time, an act entitled "An act for the temporary establishment of the Post-office," was read the first and second time.

The bill entitled "An act making an appropriation for the purpose therein mentioned," was read the third time, and passed.

The bill sent from the House of Representatives for concurrence, for making compensation to the Commissioners of Loans for extraordinary expenses, was read the second time.

*Ordered*, That this bill be committed to Messrs. LANGDON, SCHUYLER, and ELLSWORTH, to consider and report thereon.

A message from the House of Representatives informed the Senate that they had passed the bill sent from the Senate for concurrence, entitled "An act concerning consuls and vice-consuls," with amendments, in which amendments they desire the concurrence of the Senate.

The bill in addition to an act, entitled "An act for establishing the salaries for the Executive officers of Government, with their assistants and clerks," was read the first and second time.

*Ordered*, That this bill do pass to the third reading.

The amendments of the House of Representatives, proposed in their resolution of March 2d, on the bill sent from the Senate for concurrence, entitled "An act concerning consuls and vice-consuls," was taken into consideration.

The amendments of the House of Representatives are, strike out all the bill, except the first section, and amend the title, to read thus: "An act for carrying into effect the convention between His Most Christian Majesty and the United States, respecting consuls and vice-consuls."

*Resolved*, That the Senate do not agree to the amendments of the House of Representatives on the last mentioned bill."

*Ordered*, That the Secretary communicate this resolution to the House of Representatives.

A message from the House of Representatives informed the Senate that they had passed the bill sent from the Senate for concurrence, entitled "An act making an appropriation for the purpose therein mentioned."

It was agreed, by unanimous consent, to dispense with the rule so far as that the bill sent from the House of Representatives for concurrence, entitled "An act to continue in force, for a limited time, an act, entitled An act for the temporary establishment of the Post-office," be now read the second time:

And it was agreed to expunge the second section of the said bill.

*Ordered*, That this bill pass to the third reading.

A message from the House of Representatives informed the Senate that they had passed the bill sent from the Senate for concurrence, for granting lands to the inhabitants, and settlers at Vincennes and the Illinois country, in the territory northwest of the Ohio, and for confirming them in their possessions, with amendments; in which amendments they desire the concurrence of the Senate.

*Ordered*, That these amendments be referred to the committee who were originally appointed to bring in the bill, to consider and report thereon.

The bill entitled "An act providing compensation for the officers of the Judicial Courts of the United States, and for jurors and witnesses, and for other purposes," was read the second time.

*Ordered*, That this bill be committed to Messrs. ELLSWORTH, HENRY, and KING, to consider and report thereon.

A message from the House of Representatives informed the Senate that they insist on their amendments to the bill sent from the Senate for concurrence, entitled "An act concerning consuls and vice-consuls;" and that they have passed a bill making further provision for the collection of duties by law imposed on teas, and to prolong the term for the payment of duties on wines, in which they desire the concurrence of the Senate.

The Senate resumed the consideration of the report of the committee on the subject of the mint; which was agreed to; whereupon,

*Resolved*, By the Senate and House of Representatives of the United States of America in Congress assembled, That a mint shall be established, under such regulations as shall be directed by law.

*Resolved*, That the President of the United States be, and he is hereby, authorized to cause to be engaged, such artists and workmen as shall be necessary to carry the preceding resolution into effect, and to stipulate the terms and conditions of their service; and also to cause to be procured such apparatus as shall be requisite for the same purpose.

*Ordered*, That the Secretary carry this resolution to the House of Representatives, and desire their concurrence.

Mr. LANGDON, from the committee on the bill entitled "An act for making compensations to the Commissioners of Loans for extraordinary expenses," reported the bill with an amendment; and the report was agreed to.

*Ordered*, That this bill pass to the third reading.

The Senate took into consideration the resolution of the House of Representatives, insisting on their amendments to the bill, entitled "An act concerning consuls and vice-consuls;" whereupon,

*Resolved*, That the Senate do adhere to their disagreement to the amendments of the House of Representatives on the said bill.

The bill sent from the House of Representatives for concurrence, entitled "An act making further provision for the collection of the duties by law imposed on teas, and to prolong the term for the payment of the duties on wines," was read the first time.

It was agreed, by unanimous consent, that the rule should be so far dispensed with, as that this bill pass to the second reading at this time.

*Ordered*, That this bill be referred to Messrs. MORRIS, LANGDON, and SCHUYLER, to consider and report thereon.

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THURSDAY, March 3.

Mr. MORRIS, from the committee appointed to take into consideration the bill making further provision for the collection of the duties by law imposed on teas, and to prolong the term for the payment of the duties on wines, reported the bill without amendment, and the bill was read the third time.

*Resolved*, That this bill pass.

Mr. STRONG reported from the committee appointed to consider the amendments of the House of Representatives to the bill sent by the Senate to that House for concurrence, entitled "An act for granting lands to the inhabitants and settlers at Vincennes, and the Illinois country, in the territory northwest of the river Ohio, and for confirming them in their possessions;" whereupon,

*Resolved*, That the Senate concur with the House of Representatives in the amendments, with an amendment to the amendment proposed in the sixth section, to wit, 'Insert the proviso at the end of the sixth section.'

The Senate proceeded in the third reading of the bill sent from the House of Representatives for concurrence, for making compensations to the Commissioners of Loans for extraordinary expenses.

*Resolved*, That this bill pass with an amendment: Strike out these words, "excepting only the hire of one clerk for the several commissioners in the States of Massachusetts, New York, Pennsylvania, and Virginia."

*Ordered*, That the Secretary require the concurrence of the House of Representatives in the amendment.

A message from the House of Representatives informed the Senate that they adhere to their amendments to the bill, entitled "An act concerning consuls and vice-consuls;" that they disagree to the amendment of the Senate to the bill making compensations to the Commissioners of Loans for extraordinary expenses; and they agree to the resolution sent from the Senate for concurrence, "requesting the President of the United States to cause a return to be made to Congress of the lands not claimed by the Indians," with an amendment, to wit: line three, strike out "a return to be made to," and insert "an estimate to be laid before;" in which amendment they desire the concurrence of the Senate.

The Senate took into consideration the last recited message from the House of Representatives; whereupon,

*Resolved*, That they adhere to their amendment to the bill for making compensations to the Commissioners of Loans for extraordinary expenses.

*Resolved*, That the Senate agree to the amendment of the House of Representatives to the "resolution requesting the President of the United States to cause an estimate to be laid before Congress of the lands not claimed by the Indians."

The Senate proceeded to the third reading of the bill in addition to an act, entitled "An act for establishing the salaries of the Executive officers of Government, with their assistants and clerks," and the bill being amended,

On the question, shall this bill pass as amended?—the yeas and nays were required by one-fifth of the Senators present:

YEAS.—Messrs. Butler, Carroll, Dickinson, Hawkins, Henry, Johnston, Izard, King, Langdon, Lee, Monroe, Morris, Read, Schuyler.—14.

NAYS.—Messrs. Bassett, Dalton, Ellsworth, Elmer, Foster, Johnson, Stanton, Strong, Wingate.—9.

So it was resolved, that this bill pass, with the following amendments:

To the end of the bill, add 'And be it further enacted, That there be allowed to the clerks employed in the several offices attached to the seat of Government, in addition to their respective salaries, their reasonable and necessary expenses incurred by the removal of Congress from the city of New York to the city of Philadelphia.'

'And be it further enacted, That there be allowed to the Assistant Secretary of the Treasury, in addition to his salary, for one year, commencing with the passing of this act, four hundred dollars, to be paid in the same manner as his salary.'

Mr. ELLSWORTH, from the committee appointed to take into consideration the bill providing compensations for the officers of the Judicial Courts of the United States, and for jurors and witnesses, and for other purposes," reported the bill with amendments, and it was agreed to amend the bill accordingly.

*Ordered*, That this bill be now read the third time. It was so read and passed.

Mr. MONROE, from the committee appointed the 31st of January, to take into consideration the extract of a letter from Governor Randolph, to the President of the United States, containing a copy of the resolution of the Commonwealth of Virginia, relative to the bounty lands to the officers and soldiers of the Virginia line; and to whom was also referred the resolutions of the Assembly of Virginia, upon the claims of sundry individuals, with the papers accompanying them, reported,

That it appears to your committee, that the provisions made by the act, entitled "An act to enable the officers and soldiers of the Virginia line, on Continental establishment, to obtain titles to certain lands lying northwest of the river Ohio, between the Little Miami and Sciota," are, in the opinion of your committee, sufficiently extensive to enable the said officers and soldiers, or their legal representatives, to obtain patents for the bounty lands promised them by acts of the United States, and by the laws of the Commonwealth of Virginia, and that further legislative interference seems unnecessary: and the report was agreed to.

Mr. MONROE also reported from the same committee, that the claims alluded to may be classed as follow:

1st. Ten claims for pay, and depreciation of pay, by persons who had left the service of the United States previous to the 10th day of April, one thousand seven hundred and eighty.

2d. Ten claims for pay, and depreciation of pay, by persons who left the service subsequent to the tenth of April, one thousand seven hundred and eighty.



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3d. One claim for depreciation of pay, by a person who was not enlisted for three years, nor during the war.

4th. Two claims for military services, by persons who do not specify the period in which they were performed.

5th. Three claims for pensions, by persons wounded in the service of the United States.

6th. One claim for services performed in the Quartermaster General's Department.

7th. Ten claims for pay and depreciation of pay, by persons employed in military services under the authority of the Commonwealth of Virginia.

That, upon each of these claims, the Legislature of the Commonwealth of Virginia have passed a resolution, referring some 'to the proper officer under the Federal Government having cognizance of such cases;' on others, it has only been 'resolved that they were reasonable;' on others, 'that they were reasonable, and that the Auditor of Public Accounts be directed to adjust their claims, and issue certificates therefor.' These last have probably been transmitted by mistake.

That those in the first class are not entitled to depreciation by any act of the late Congress; that, if any pay is still due to them, that can only be adjusted at the proper office.

That the States having been authorized to settle the depreciation of such as were in service on the tenth of April, one thousand seven hundred and eighty, and who were engaged for three years, or during the war, those claims ought to have been adjusted by the State; and that an adjustment for pay can only be had at the proper office.

The claim mentioned in the third class is totally unfounded.

That those in the fourth class can only be adjusted at the proper office.

That the claims of those in the fifth class are foreclosed by the act of the late Congress. That cases may, however, arise, in which an adherence to the foreclosing act would be improper. That, if the suggestion contained in the resolution, with respect to one of those, can be substantiated, legislative provision ought to be made on a proper application to Congress.

The claim in the sixth class can only be adjusted at the proper office.

The claims in the seventh class ought to have been adjusted by the State of Virginia, and might have been a proper charge in its accounts with the United States, but cannot now be allowed by Congress.

That only thirteen of the thirty-seven claims are accompanied with any kind of vouchers, and these very deficient.

That it appears to your committee, if any person has a demand against the United States so circumstanced as that a legislative provision is requisite to obtain an adjustment, the claimant, his assignee, or legal representative, ought to prefer an immediate application to Congress. That a decision on a claim against the United States by the Legislature of any State tends to create embarrassments, and ought not to be countenanced by Congress.

That, therefore, it would be proper to permit the resolution of the Legislature of Virginia, of the 28th December last, with the particular resolutions and claims accompanying it, to be withdrawn.

On motion that the papers reported on by the committee be withdrawn, it passed in the negative.

And, on motion, it was agreed that the report of the committee be accepted.

Mr. WINGATE reported from the committee appointed on the bill, entitled "An act for making compensation to the widows and orphan children of certain officers who were killed, or who died in the service of the United States, during the late war; and for the relief of certain invalids and other persons therein mentioned;" whereupon,

*Resolved*, That the further consideration of this bill be postponed until the next session of Congress.

The Senate resumed the second reading of the bill, entitled "An act supplementary to an act making provision for the reduction of the public debt," which was amended; and it was agreed, by unanimous consent, that this bill be now read the third time.

*Resolved*, That this bill pass with the amendments.

A message from the House of Representatives informed the Senate that they agree to the amendment of the Senate to their amendments on the bill sent from the Senate for concurrence, for granting lands to the inhabitants and settlers at Vincennes and the Illinois country, in the territory northwest of the Ohio, and for confirming them in their possessions; they agree to the resolution sent from the Senate for concurrence, respecting the establishment of a mint, with an amendment, to wit: insert, line 4, after 'such' 'principal;' expunge, line 5, 'and workmen.'

The House of Representatives recede from their disagreement to the amendment of the Senate to the bill sent from the House of Representatives for concurrence, for making compensations to the Commissioners of Loans for extraordinary expenses; they agree to the amendments of the Senate to the bill sent from the House of Representatives for concurrence, to continue in force, for a limited time, an act for the temporary establishment of the Post-offices; and they also agree to the amendments of the Senate to the bill sent from the House of Representatives for concurrence, in addition to 'An act entitled An act for establishing the salaries of the Executive officers of Government, with their assistants and clerks.'

The Senate proceeded to consider the amendments of the House of Representatives to the resolution sent from the Senate for concurrence, relative to the establishment of a mint; and

*Resolved*, That the Senate agree to the amendments on the said resolution.

A message from the House of Representatives informed the Senate that they agree to the amendments of the Senate to the bill sent from the House of Representatives for concurrence, supplementary to the act making provision for the reduction of the public debt; and they agree to some, and disagree to other, amendments of the Senate to the bill sent from the House of

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Representatives for concurrence, providing compensations for the officers of the Judicial Courts of the United States, and for jurors and witnesses, and for other purposes.

The Senate proceeded to consider their amendments disagreed to by the House of Representatives to the bill last mentioned.

*Resolved*, That the Senate recede from the amendments disagreed to by the House of Representatives.

Mr. KING, from the committee appointed to take into consideration "the bill to continue in force the act therein mentioned, and to make further provision for the payment of pensions to invalids, and for the support of light-houses, beacons, buoys, and public piers," reported an amendment, which was adopted: whereupon,

It was agreed, by unanimous consent, so far to dispense with the rule, as that this bill be now read the third time.

*Resolved*, That this bill pass, with the following amendments: At the end of the bill, add, *Provided*, That nothing in the said act shall be construed to limit or restrain the power of the President of the United States to grant pardons for offences against the United States.

*Ordered*, That the motion, made the first instant, respecting a treaty with the Wabash and Miami Indians, together with the motion for amendment, be postponed.

The Senate on Executive business.

The Vice President notified the Senate that it was the request of the President of the United States, that they would assemble on the 4th day of March, instant, to transact some public business of importance.

The Senate took into consideration the report of the committee on the message of the President of the United States, of the 22d of February; whereupon, it was resolved as follows:

Whereas, since the resolution of the Senate advising the President of the United States to take measures for the ransom of the American captives at Algiers, large appropriations of money have been made for the protection of the Western frontiers:

*Resolved*, That the Senate do advise and consent that the President of the United States suspend any operation under the said resolution, for the ransom of the said captives, until the situation of the Treasury more clearly authorize appropriations of money for that purpose.

THURSDAY EVENING, March 3.

A message from the House of Representatives informed the Senate that they passed "a resolve making a temporary provision for the safe-keeping of prisoners committed under the authority of the United States;" in which they desire the concurrence of the Senate.

The Senate took into consideration "There solve providing for the safe-keeping of prisoners committed under the authority of the United States;" sent from the House of Representatives for concurrence, and

*Resolved*, That the Senate concur therein.

A message from the House of Representatives informed the Senate that they have passed a bill for carrying into effect the convention between His Most Christian Majesty and the United States; in which they desire the concurrence of the Senate.

The bill was read the first time.

On the question, Shall this bill pass to the second reading at this time?—the yeas and nays were required by one-fifth of the Senators present.

YEAS.—Messrs. Carroll, Dalton, Foster, Hawkins, Henry, Johnston, Izard, Langdon, Lee, Mackay, Monroe, Stanton, Strong.—13.

NAYS.—Messrs. Bassett, Ellsworth, Johnson, King, Morris, Schuyler.—6.

A message from the House of Representatives informed the Senate that they concur in the bill sent from the Senate, entitled "An act to continue in force the act therein mentioned, and to make further provision for the payment of pensions to invalids, and for the support of light-houses, beacons, buoys, and public piers."

A message from the House of Representatives informed the Senate that they, having completed the business before them, intend shortly to adjourn without day.

*Ordered*, That the Secretary acquaint the House of Representatives that the Senate, having completed the legislative business before them, are about to adjourn; and having acquainted the Vice President that he had delivered the message,

The Senate adjourned without day.

## EXECUTIVE JOURNAL.

FRIDAY, March 4.

The Senate assembled conformably to the summons from the President of the United States, of the first day of March, 1791, which was read by the Secretary of the Senate, as follows:

*The President of the United States to the President of the Senate.*

Certain matters touching the public good requiring that the Senate should be convened on Friday, the 4th instant, I have desired their attendance, as I do yours by these presents, at the Senate Chamber in Philadelphia, on that day, then and there to receive and deliberate on such communications as shall be made to you on my part.

GEO. WASHINGTON.

PHILADELPHIA, March 1st, 1791.

SENATORS PRESENT:

From New Hampshire—JOHN LANGDON and PAINE WINGATE.

From Rhode Island—JOSEPH STANTON, JUN.

From Connecticut—W. S. JOHNSON.

From New York—RUFUS KING.

From New Jersey—PHILEMON DICKINSON.

From Pennsylvania—ROBERT MORRIS.

From Delaware—JOHN BASSETT.

From Maryland—JOHN HENRY.

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From Virginia—**RICHARD H. LEE.**

From North Carolina—**SAMUEL JOHNSTON** and **BENJAMIN HAWKINS.**

From South Carolina—**PIERCE BUTLER** and **RALPH IZARD.**

From Georgia—**JAMES GUNN.**

The terms for which the following Senators were at first appointed having expired on the 3d instant, in consequence of the classing, conformably to the Constitution, agreed to on the 15th May, 1789, and 27th June, 1790, which classing appears at large on the Journal of the Legislative proceedings of the Senate of the last mentioned dates; and they being re-appointed by the States respectively annexed to their names:

**THEODORE FOSTER**, from the State of Rhode Island.

**OLIVER ELLSWORTH**, from the State of Connecticut.

**GEORGE READ**, from the State of Delaware.

**CHARLES CARROLL**, from the State of Maryland; and

**JAMES MONROE**, from the State of Virginia, appeared in Senate, were respectively qualified, and took their seats.

**MR. CARROLL**, a senator from the State of Maryland, having omitted to procure certified credentials, was, on his own declaration, and the testimony of his colleague, **MR. HENRY**, qualified, and took his seat, engaging forthwith to return his credentials, formally authenticated.

The Secretary of the Senate read the record of the Senate, in their Executive capacity, of March 3d, 1791.

*Ordered*, That the Secretary of the Senate wait on the President of the United States, and acquaint him that a quorum of the Senate is assembled, agreeably to his summons of the 2d instant, and that they are ready to receive his communications.

The Secretary of the Senate having communicated the message, two written messages from the President of the United States were delivered to the Vice President.

The first message is as follows:

UNITED STATES, March 4, 1791.

*Gentlemen of the Senate:*

The act for the admission of the State of Vermont into this Union, having fixed on this as the day of its admission, it was thought that this would also be the first day on which any officer of the Union might legally perform any act of authority relating to that State. I therefore required your attendance to receive nominations of the several officers necessary to put the Federal Government into motion in that State.

For this purpose I nominate

**Nathaniel Chipman**, to be Judge of the District of Vermont.

**Stephen Jacobs**, to be Attorney for the United States, in the District of Vermont.

**Lewis R. Morris**, to be Marshal of the District of Vermont; and

**Stephen Keyes**, to be Collector of the port of Allburg, in the State of Vermont.

**GEO. WASHINGTON.**

The other message is subjoined.

UNITED STATES, 4th March, 1791.

*Gentlemen of the Senate:*

Pursuant to the powers vested in me by the act entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead, and also upon spirits distilled within the United States, and for appropriating the same;" I have thought fit to divide the United States into the following districts, namely:

The District of New Hampshire, to consist of the State of New Hampshire.

The District of Massachusetts, to consist of the State of Massachusetts.

The District of Rhode Island and Providence Plantations, to consist of the State of Rhode Island and Providence Plantations.

The District of Connecticut, to consist of the State of Connecticut.

The District of Vermont, to consist of the State of Vermont.

The District of New York, to consist of the State of New York.

The District of New Jersey, to consist of the State of New Jersey.

The District of Pennsylvania, to consist of the State of Pennsylvania.

The District of Delaware, to consist of the State of Delaware.

The District of Maryland, to consist of the State of Maryland.

The District of Virginia, to consist of the State of Virginia.

The District of North Carolina, to consist of the State of North Carolina.

The District of South Carolina, to consist of the State of South Carolina; and

The District of Georgia, to consist of the State of Georgia.

And I hereby nominate, as Supervisors of the said districts, respectively, the following persons, viz.

For the District of New Hampshire, **Joshua Wentworth.**

For the District of Massachusetts, **Nathaniel Gorham.**

For the District of Rhode Island and Providence Plantations, **John S. Dexter.**

For the District of Connecticut, **John Chester.**

For the District of Vermont, **Noah Smith.**

For the District of New York, **William S. Smith.**

For the District of New Jersey, **Aaron Dunham.**

For the District of Pennsylvania, **George Clymer.**

For the District of Delaware, **Henry Latimer.**

For the District of Maryland, **George Gale.**

For the District of Virginia, **Edward Carrington.**

For the District of North Carolina, **William Polk.**

For the District of South Carolina, **Daniel Stevens.**

For the District of Georgia, **John Matthews.**

**GEO. WASHINGTON.**

*Ordered*, That the rule be so far dispensed with, as that the Senate proceed at this time to the consideration of the message of the President of the United States, and the nominations therein contained, of **Nathaniel Chipman**, to be Judge of the District of Vermont; **Stephen Jacobs**, to be Attorney for the United States,

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in the District of Vermont; Lewis R. Morris, to be Marshal of the District of Vermont; and Stephen Keyes, to be Collector of the port of Allburg, in the State of Vermont. Whereupon,

*Resolved*, That the Senate do advise and consent to these appointments, agreeably to the respective nominations.

*Ordered*, That the rule be so far dispensed with as that the Senate proceed at this time to the consideration of the message of the President of the United States, and the nominations therein contained of Supervisors of the several districts within the United States, as divided conformably to the powers by law vested in the President of the United States.

All the nominations to these offices were accordingly consented to.

The second message was as follows:

UNITED STATES, 4th March, 1791.

Gentlemen of the Senate:

In pursuance of an act, entitled "An act for raising and adding another regiment to the Military Establishment of the United States, and making further provision for the protection of the frontiers," I nominate for the following offices therein mentioned:—Major General, Arthur St. Clair; Quartermaster, Samuel Hodgdon; Chaplain, John Hurt.

GEO. WASHINGTON.

*Ordered*, That the rule be so far dispensed with, as that the Senate proceed at the present time to the consideration of the message of the President of the United States of this date, and the nominations therein contained:—of Arthur St. Clair, to be a Major General; of Samuel Hodgdon, to be Quartermaster; of John Hurt, to be Chaplain;—in pursuance of the act above mentioned in the message of the President of the United States; and

*Resolved*, That the Senate do advise and consent to these appointments, agreeably to the respective nominations.

*Ordered*, That the Secretary of the Senate obtain from the Secretary of War a list of the officers of the army of the United States now in commission.

The list above mentioned was laid before the Senate.

The Senate proceeded to consider the military nominations made in pursuance of the law referred to in the message of the President of the United States, of the 3d instant, and there-to annexed, of nominations for promotions and appointments:—

#### FIRST REGIMENT.

Major David Zeigler, vice Wyllys, killed; Major Richard Call, vice Parker, declined, Virginia.

*Captains*.—Thomas Doyle, vice Zeigler, promoted; John Armstrong, vice Mercer, resigned; John Pratt, vice Heart, promoted.

*Lieutenants*.—Cornelius Sedan, vice Doyle, promoted; John Jeffers, vice Frothingham, killed; Abner Pryor, vice Armstrong, promoted; Asa Harts-horne, vice Heart, promoted; Thomas Seayres, vice Steele, declined.

#### Appointments.

*Ensigns*.—Daniel Britt, Pennsylvania; Hamilton Armstrong, do.; Bartholomew Shomburg, promoted from Serjeant Major; Bernard Gaines, Virginia; John Wade, Pennsylvania; Ross Bird, do.

#### SECOND REGIMENT.

#### Appointments.

Lieutenant Colonel Commandant, John Doughty, New Jersey; 1. Major, Lemuel Trescott, Massachusetts; 2. Major, John Burnham, do.; 3. Major Jonathan Heart, Connecticut.

*Captains*.—1. Robert Kirkwood, Delaware; 2. Thomas Hunt, Massachusetts; 3. John Mills, do.; 4. John Pray, do.; 5. Richard Brooke Roberts, South Carolina; 6. John H. Buell, Connecticut; 7. David Sayles, Rhode Island; 8. Jonathan Cass, New Hampshire; 9. Constant Freeman, Massachusetts; 10. Patrick Phelon, do.; 11. Thomas H. Cushing, do.; 12. Joseph Shaylor, Connecticut.

*Lieutenants*.—1. Samuel Newman, Massachusetts; 2. Bezaleel Howe, New Hampshire; 3. Henry Sherman, Jun., Rhode Island; 4. Daniel Bradley, Connecticut; 5. John Platt, Delaware; 6. William Rickard, Massachusetts; 7. Richard Surcomb Howe, do.; 8. Richard Humphrey Groaton, do.; 9. John Higginson, do.; 10. Winslow Warren, do.; 11. Russel Bissell, Connecticut; 12. Francis Huger, South Carolina.

*Ensigns*.—1. Martin Brimmer Sohier, Massachusetts; 2. Richard Edwards, do.; 3. Edward Miller, Connecticut; 4. John Thompson, do.; 5. George Tillinghast, Rhode Island; 6. Joseph Smith Gilman, New Hampshire; 7. Joseph Pierce, Jun., do.; 8. David Cobb, Jun., Massachusetts; 9. Joseph Dickinson, South Carolina; 10. Thomas Duff, Delaware; 11. Edward Turner, Massachusetts; 12. Theodore Sedgwick, 3d. do.; Surgeon, William Eustice, Massachusetts; Surgeon's Mate, Joshua Sumner, Connecticut; Surgeon's Mate, John F. Carmichael, New Jersey.

#### THE BATTALION OF ARTILLERY.

*Major Commandant*.—William Ferguson, vice Doughty, promoted.

*Captain*.—Mahlon Ford, vice Ferguson, promoted.

*Lieutenants*.—Daniel McLane, vice Moor, dead; Abimael Youngs Nicholl, vice Fowle, dead; George Ingersoll, vice Ford, promoted.

*Resolved*, That the Senate advise and consent to the appointments, agreeably to the respective nominations annexed to the said message.

A letter was read from SAMUEL W. JOHNSON, resigning his seat in the Senate of the United States.

*Ordered*, That the Vice President be requested to acquaint the Governor of the State of Connecticut that SAMUEL WILLIAM JOHNSON, a senator of the United States from that State, has resigned his seat in the Senate.

*Ordered*, That the Secretary of the Senate wait on the President of the United States, and acquaint him that the Senate, having finished the business before them, are ready to adjourn.

The President of the United States directed the Secretary of the Senate to acquaint them that he had no further communications to make at this time. Whereupon, the Senate adjourned without day.

# HISTORY

OF

## THE PROCEEDINGS AND DEBATES

OF THE

### HOUSE OF REPRESENTATIVES OF THE UNITED STATES,

AT THE THIRD SESSION OF THE FIRST CONGRESS, HELD AT PHILADELPHIA,

DECEMBER 6, 1790.

On which day, being the day appointed by the adjournment of the two Houses for the meeting of the present session, the following members appeared and took their seats, to wit:

From New Hampshire—ABIEL FOSTER, NICHOLAS GILMAN, and SAMUEL LIVERMORE.

From Massachusetts—FISHER AMES, BENJAMIN GOODRUE, and GEORGE THATCHER.

From Connecticut—BENJAMIN HUNTINGTON, ROGER SHEEMAN, and JONATHAN STURGES.

From New York—EGBERT BENSON, WILLIAM FLOYD, JOHN LAWRENCE, and PETER SYLVESTER.

From New Jersey—ELIAS BOUDINOT, LAMBERT CADWALADER, and JAMES SCHUREMAN.

From Pennsylvania—GEORGE CLYMER, THOMAS FITZSIMONS, FREDERICK AUGUSTUS MUHLENBERG, PETER MUHLENBERG, and HENRY WYNKOOP.

From Maryland—JOSHUA SENET.

From Virginia—JOHN BROWN, SAMUEL GRIFFIN, and JAMES MADISON, JUNIOR.

From North Carolina—TIMOTHY BLOODWORTH, and HUGH WILLIAMSON.

From South Carolina—WILLIAM SMITH.

From Georgia—ABRAHAM BALDWIN.

Which not forming a quorum of the whole number, the House adjourned until to-morrow.

#### TUESDAY, December 7.

DANIEL HEISTER and THOMAS SCOTT, from Pennsylvania; RICHARD BLAND LEE, from Virginia; and DANIEL HUGER, from South Carolina, appeared and took their seats.

WILLIAM B. GILES, from Virginia, returned in the place of THEODORIC BLAND, deceased, also appeared, produced his credentials, and took his seat.

A quorum of members being now present, a message was received from the Senate, by Mr. OTIS, their Secretary, informing the House that a quorum of the Senate is assembled, and ready to proceed to business.

A message was returned to the Senate, informing them that a quorum of this House is assembled, and ready to proceed to business.

Messrs. BOUDINOT, LAWRENCE, and SMITH,

(of S. C.) were appointed a committee, to act with a committee from the Senate, to wait on the President of the United States, to inform him that a quorum of the two Houses is assembled.

A message from the Senate informed the House, that Messrs. LANGDON and MORRIS were appointed a committee, to join the committee of this House, to wait upon the President.

Mr. BOUDINOT, from the Joint Committee to wait on the President, reported that the President would attend to make a communication to both Houses to-morrow, at twelve o'clock, in the Senate Chamber.

#### WEDNESDAY, December 8.

ELBRIDGE GERRY and JONATHAN GROUT, from Massachusetts; ANDREW MOORE and ALEXANDER WHITE, from Virginia; and THOMAS TUDOR TUCKER, from South Carolina, appeared and took their seats.

A message from the Senate informed the House, that they are ready to meet the members of this House in the Senate Chamber, to receive the usual communication from the President of the United States.

Mr. SPEAKER, attended by the members of this House, then withdrew to the Senate Chamber, for the purpose expressed in the above message.

And being returned, the SPEAKER laid before the House a copy of the Speech, delivered by the President, (which will be found in the Proceedings of the Senate, page 1770.)

Which being read, it was, on motion, committed to the consideration of a Committee of the whole House to-morrow.

On motion,

*Resolved*, That two Chaplains, of different denominations, be appointed to Congress, one by each House, who shall interchange weekly.

*Ordered*, That a committee be appointed to prepare and bring in a bill for establishing the Post-office and post roads of the United States.

H. OF R.]

Proceedings.

[DEC. 10, 1790.]

and that Messrs. SHERMAN, CLYMER, and WILLIAMSON form said committee.

#### NEWSPAPERS FOR MEMBERS.

Mr. WILLIAMSON, after some introductory observations on the importance of diffusing information among the people, and the utility of newspapers for that purpose, moved,

That the Clerk of the House be directed to furnish each of the members with three of the public newspapers printed in this city, at their own election—the papers to be left at their respective lodgings.

Laid on the table.

THURSDAY, December 9.

JAMES JACKSON and GEORGE MATTHEWS, from Georgia, appeared and took their seats.

#### ADDRESS TO THE PRESIDENT.

On motion, the House resolved itself into a Committee of the whole on the speech of the President of the United States, Mr. LIVERMORE in the chair.

On motion of Mr. LAWRENCE, the committee agreed to a resolution, which the committee rose and reported to the House, which was concurred with as follows:

*Resolved,* That it is the opinion of this committee, that an Address ought to be presented by the House to the President of the United States, in answer to his speech to both Houses, with assurances that this House will, without delay, proceed to take into consideration the various and important matters recommended to their attention.

And Messrs. MADISON, AMES, and TUCKER, were appointed to prepare the Address.

#### NEWSPAPERS FOR MEMBERS.

Mr. WILLIAMSON's resolution yesterday laid on the table, in relation to supplying the members with newspapers, being taken up,

Mr. FITZSIMONS said, he hoped the resolution would not be agreed to. The subject had frequently been discussed, and much expense of time had been incurred. For his own part, he knew of no reasons which existed that should induce the House, at this session, to deviate from former practice, and the custom which had always been observed by the old Congress. Debating the subject would probably be attended with as much expense as taking the papers in the usual way.

Mr. MADISON offered some objections to the motion. He was in favor of taking the whole of the publications, or none; as taking a part would be giving a preference to particular presses, and would savor of partiality.

Mr. WILLIAMSON supported the motion. He begged gentlemen to consider, that if no limitation was to be set to the number of newspapers, what the expense might amount to. He did not know the exact number printed in the city, whether ten or fifteen; but if Congress made it a rule to take all that was, or might be printed, they may be increased to a hundred; and after the increase of the House, by the addition to the

representation, it will be worth while for a printer to set up a paper merely to supply Congress. He said, he was disposed to give encouragement to the press in printing books which would be really advantageous to the country, by rendering importations unnecessary; but as to newspapers, they are a species of printing which dies with the day. He mentioned the number of papers formerly taken by the House, among which were some that were never read by any body. He was for limiting the number, and therefore had mentioned three; still he was not tenacious of that number; but whatever else was determined in the business he thought there ought to be a limitation.

Mr. LIVERMORE said, he should vote for the resolution; which being put, was carried in the affirmative—23 to 15.

#### CHAPLAINS.

A message was received from the Senate, informing that they have concurred in the resolution of the House for the appointment of Chaplains; and have, on their part, appointed the Right Reverend Bishop WHITE.

On motion of Mr. SMITH, to-morrow was assigned by the House for the election of a Chaplain. The Rev. Dr. BLAIR and the Rev. Mr. GREEN were nominated.

#### KENTUCKY.

A message was received from the President of the United States, with the papers mentioned in his speech, respecting the admission of Kentucky as a member of the Union.

#### ELECTORS FOR ELECTING PRESIDENT.

Mr. BENSON gave notice, that he should move for a committee to be appointed to bring in a bill or bills, for determining the time of choosing the Electors, in the several States, of President and Vice President; also determining, in case of vacancy of the office of President and Vice President, by death, or absence from the seat of Government, who shall exercise the office of President.

#### REGISTERING VESSELS.

On motion, a committee was appointed, consisting of Messrs. FITZSIMONS, GOODHUE, and LEE, to bring in a bill to amend the act for registering ships and vessels, and regulating the coasting trade, and for other purposes.

#### WESTERN EXPEDITION.

A letter was received from the Secretary of War, addressed to the Speaker, accompanying sundry papers respecting the Western Expedition, and the expenses attending the same.

#### USEFUL ARTS.

On motion of Mr. WILLIAMSON, a committee was appointed, consisting of Messrs. WHITE, SENEY, and BALDWIN, to bring in a bill to amend the act to promote the progress of the useful arts.

FRIDAY, December 10.

GEORGE PARTRIDGE, from Massachusetts;  
JONATHAN TRUMBULL and JEREMIAH WADSWORTH



DECA 11, 1790.]

*Eulogium on Dr. Franklin.*

[H. OF R.]

WORTH, from Connecticut; THOMAS SINNICKSON, from New Jersey; and WILLIAM SMITH, from Maryland, appeared and took their seats.

## CHAPLAIN.

The House, according to the order of the day, proceeded by ballot to the appointment of a Chaplain to Congress, on the part of this House; and upon examining the ballots, a majority of the votes of the whole House was found in favor of the Rev. Mr. BLAIR.

## ELECTORS FOR ELECTING PRESIDENT.

*Ordered*, That a committee be appointed to prepare and bring in a bill or bills for determining, agreeable to the provision in the first section of the second article of the Constitution, the time when the Electors shall, in the year which will terminate on the third of March, one thousand seven hundred and ninety-three, and so in every fourth year thereafter, be chosen, and the day on which they shall give their votes for declaring what officer shall, in case of vacancy both in the office of President and Vice-President, act as President; for assigning a public office, where the lists mentioned in the second paragraph of the first section of the second article of the Constitution, shall, in case of vacancy in the office of the President of the Senate, or his absence from the seat of Government, be in the mean time deposited; and for directing the mode in which such lists shall be transmitted; and that Messrs. BENSON, HUNTINGTON, HEISTER, MOORE, and PARTRIDGE, be of the said committee.

## UNIFORM MILITIA.

*Ordered*, That a committee be appointed to prepare and bring in a bill or bills more effectually to provide for the national defence, by establishing a uniform militia throughout the United States; and that Messrs. BOUDINOT, P. MULLENBERG, GILMAN, FLOYD, GROUT, WADSWORTH, SMITH, of Maryland, BLOODWORTH, GILES, SMITH, of South Carolina, and MATTHEWS, be of the said committee.

## EULOGIUM ON FRANKLIN.

A message from the Senate conveyed to the House, a letter from Monsieur Beniere, President of the Commonalty of Paris, addressed to the President and Members of Congress of the United States, with twenty-six copies of a Civic Eulogium on Benjamin Franklin, pronounced the twenty-first of July, one thousand seven hundred and ninety, in the name of the Commonalty of Paris, by Monsieur the Abbé Fauchet.

## ADDRESS TO THE PRESIDENT.

Mr. MADISON, from the committee appointed, presented an Address to the President of the United States, in answer to his speech to both Houses of Congress, which was read, and ordered to be committed to a Committee of the whole House to-morrow.

SATURDAY, December 11.

A translation of the Letter from the President of the Commonalty of Paris, addressed to the Federal Legislature, was read as follows:

## MR. PRESIDENT—GENTLEMEN:

The news has reached our ears—FRANKLIN is no more!—FRANKLIN the citizen of the world!—All nations are indebted to him for instruction in every branch of science. They are all bound to participate in the grief occasioned by this common loss. But the Assembly of the Representatives of the Commonalty of our Capital, thinking it their duty, in addition to the general mourning, to pay to his memory a further tribute of honor, have ordered, by a public decree, that the virtues and talents of this great Philosopher should be perpetuated to distant ages, in a public and solemn Eulogy—the first of the kind, ever bestowed by our Nation, on civic worth.

By order of the Assembly, I transmit it to your hands; and with the most lively sensations of pleasure, embrace the opportunity of paying due homage to a body of men, who not only possess, but are justly entitled to enjoy the sweets of Liberty.

May the approbation of your Assembly attend as well the present itself, as the fraternal and respectful sentiments, with which

I am, Mr. President—Gentlemen,

Your most obedient humble servant,

BENIERE,

*Doctor of the Sorbonne, Suppleatory Member of the National Assembly, and President of the Commonalty of Paris.*

To the PRESIDENT and CONGRESS

of the United States.

The letter accompanied twenty-six copies of the Eulogium on Dr. FRANKLIN, delivered by the Abbé Fauchet, pursuant to a decree of that body.

Mr. BOUDINOT proposed that thirteen copies of the Eulogium be returned to the President of the United States and the Senate, which was done.

Mr. SMITH (of S. C.) observed, that it would be proper to request the President of the United States to return an answer to the President and Commonalty of Paris, or that a Joint Committee of the House and Senate should be appointed for the purpose. He was not tenacious of any particular mode, but supposed it highly proper that some notice should be taken of the polite attention shown the Government, by the President of the Commonalty of Paris. The business was specially committed to the SPEAKER.

A letter was received from the Commissioners of the city and county of Philadelphia, giving an account of the measures taken to accommodate the Federal Legislature, during their residence in Philadelphia, by preparing the new Court-house in the best manner the size of the building would permit, and appropriating the same to their use.

Agreeably to the order of the day, the House resolved itself into a Committee of the whole, to take into consideration the Address to the President of the United States, in answer to his speech to both Houses, as reported yesterday. Mr. LIVERMORE in the chair.

The Address was read by the Clerk, and then discussed by the committee in paragraphs.

On reading the clause respecting the Western expedition against the Indians,

H. OF R.]

*Address to the President.*

[DEC. 11, 1791.]

Mr. JACKSON rose and observed, that he was as fully impressed with the importance of an Indian war, and of extending the protection of Government to our defenceless frontiers, as any man whatever; and had no doubt of the necessity of the measures taken to chastise the banditti on the Ohio; but as a Representative from the State of Georgia, he should think himself inexcusable were he not to express his astonishment that no notice is taken in the President's speech of the Treaty with the Creek Nation; a treaty which has spread alarm among the people of that State—a treaty by which more than three million acres of land, the property of the State of Georgia, guaranteed to that State by the Constitution of the United States, are ceded away without any compensation. Mr. J. then adverted to several articles of the treaty, which he said controverted the plainest principles of the Constitution, particularly those parts which secure to every citizen the rights of property. He contrasted the present situation of the inhabitants of Georgia, with what it was under the British Government, and said this treaty placed them in a less eligible situation, in respect to the Indians.

It had been said, exclaimed he, that there are secret articles in the treaty. Good God! at this early period, are there to be secret articles existing between the United States and any other Nation under heaven! Treaties by the Constitution are to be considered the supreme law of the land; but will Congress permit the laws of the United States, like those of *Caligula*, to be placed where they cannot be read, and then punish the people for not obeying them? The people will never submit to be bound by secret articles.

[Here the Chairman interrupted Mr. JACKSON, by inquiring whether his observations were intended as introductory to any motion on the paragraph just read.]

Mr. J. replied, that it was his intention, at a future day, to introduce a motion, that the President be requested to lay before this House the treaty with the Creek Indians—not excepting the secret articles. He then expatiated on the sufferings of the people of Georgia, and asked what must be their feelings, when they reflect on the preparations made to chastise the Wabash banditti, while the exertions of Congress have not been called forth to their relief. The President sent three Commissioners to Georgia (not one of whom was a citizen of that State) they investigated the truth of her representations, and made a report favorable to her claims, that the lands in dispute were fairly purchased, and as fully obtained as the Confederation, or the nature of the case would admit; but what has been the result? The treaty, so far from recognizing the rights of Georgia, has sacrificed them—the Report of the Commissioners does not appear to have been attended to. On the other hand, a savage of the Creeks has been invited and brought to the seat of Government, and there loaded with favors, and caressed in the most extraordinary manner.

He said, he would not at present engross any more of the time of the House, only to give notice that, at a future opportunity, he should move that the President of the United States be requested to lay before the House, for their consideration, the Treaty with the Creek Indians—not excepting the secret articles.

The paragraph respecting encouraging our own navigation being read,

Mr. SMITH (of S. C.) observed, that he did not rise to propose any alterations in the style of the Address, the language was such as might be expected from the acknowledged abilities of the gentleman who drafted it. The paragraph just read, he conceived, pledged the House to take measures in respect to our own navigation, which may, in the issue, prove injurious to the agricultural interests of the United States. At this early period of the session, it appeared extremely improper for the House to commit itself, especially as few, if any of the States, are fully represented on the floor. He was afraid that the mode of expression adopted in the Address would conduce to the exclusion of foreign bottoms altogether. If the opinion of the committee should be adopted by the House, he conceived it would be anticipating a decision to the precluding future discussions of the subject. He foresaw that this paragraph would be called up at some future period, and brought as an argument against any different propositions that might be offered—and thus the question be determined without any debate. He thought the Address went into too minute a consideration of the several parts of the speech, and could have wished that more general terms had been used. As a substitute for the paragraph under consideration, he moved the following amendment in substance:

“We shall consider with attention the best means of guarding against the embarrassments you mention, and will take such measures as may remove every obstruction to the prosperity of the commerce and agriculture of the United States.”

Mr. WILLIAMSON observed, that he saw no material difference between the paragraph in the Report, and the amendment proposed. The mode of expression adopted by the committee is in so general terms, that he hoped it would have met the full approbation of every member of the committee. The President proposes that the commerce of the United States should be relieved from all injurious restrictions; nothing can be more just and reasonable; and this is perfectly compatible with supporting the agricultural interest of the country; the promotion of the former involves that of the latter. He touched on the impositions of Great Britain on our commerce, and observed, that reason and justice point out the propriety of seeking redress. He, however, saw no opposition in the two propositions; but as the obvious design in bringing forward the substitute is to preclude such an inquiry as the exigency of the case seems to require, he hoped it would not be adopted.

DEC. 11, 1790.]

*Address to the President.*

[H. OF R.]

Mr. JACKSON observed, that he had seconded the motion of the gentleman from South Carolina, because he thought there was an obvious difference in the two modes of expression. He then entered into a discussion of the subject generally; and enlarged on the injurious consequences which would result to the Southern States particularly, by enhancing the duties on foreign bottoms. He said, that the tonnage was at present so high as to prevent foreigners from becoming our carriers; several instances of this had been mentioned to him from good authority; and while the American shipping was incompetent to the object, and he called on gentlemen to show that it was, the exclusion of foreign ships from our ports must be ruinous to South Carolina and Georgia; therefore, he hoped, the amendment would take place.

Mr. SHERMAN said, that the words in the Report appeared to him less exceptionable than those in the proposed amendment, even on the principle supported by the gentleman in favor of the amendment. In the Report it was only said, we should consider what means, &c. but the amendment declared we should take effectual measures. The words in the Report only binding us to consider—those in the amendment obliging us to act. He thought the answer should be general, and was therefore against the amendment.

Mr. SMITH (of S. C.) observed, that the member last up had confined his observation to the first words in the paragraph objected to. If he will take the trouble of reading a little further, he will see, that as the Report stands we give it as our opinion, that foreign bottoms ought to be excluded, which would be severely felt by the States of South Carolina and Georgia. We cannot wholly depend upon our own vessels for the exportation of our produce; they are not sufficiently numerous, nor will they be for many years; therefore, let us not at this time, in a hasty manner, declare, that all articles exported shall be carried in our own bottoms. To settle this important question, Mr. S. thought that some time should be given to reflect, and a day fixed for discussion; in the mean time, he thought it improper at this stage of the session, that the opinion of the House should be given.

Mr. WILLIAMSON remarked, that the Report did not say that we should have no dependence on foreign bottoms; but that we should not depend altogether upon them for the exportation of our produce. He had no idea of excluding foreign bottoms. He was for making provision in case that resource should fail.

Mr. JACKSON.—To show the importance of foreign shipping to the Southern States, and the inadequacy of our own, to transport their produce, notwithstanding the low duty on American shipping, Mr. J. read a statement of the tonnage duties paid by each, in the State of Georgia, for the same period; the foreign tonnage amounted to eight thousand two hundred and twenty-seven dollars, the American to six hundred and twenty-nine dollars only. This be-

ing the fact, he inquired, what could be done with the Southern produce, in case of the exclusion of foreign bottoms? It must rot in the planter's hands. With respect to the amendment's being as positive as the clause in the Report, as had been asserted, if that is the case he could see no objection to its being adopted.

Mr. TUCKER said, he thought it improper that in an Address on this occasion the committee should go into a particular detail on every subject; much less commit their judgment without a previous discussion. The President may have maturely considered the subject during the recess—but the committee cannot be supposed to be prepared for a decision. The thinness of the House was a further objection, in his opinion, to entering into a discussion of the question. He was not pleased with the paragraph in the Report, as it seemed to imply that nothing had been done for the encouragement of our own navigation, the reverse of which was fact. The posture of affairs in Europe suggested no stronger reasons for giving further encouragement to our own navigation than what was presented last session; the expediency of the measure is not therefore apparent from any change of circumstances. Though he was dissatisfied with the Report, the amendment proposed fell short of his wishes. It did not recognise what had been done for the encouragement of American shipping. He would, therefore, propose a substitute by leave of his colleague; which he did to the following purport: "The encouragement of our own navigation has at all times appeared to us highly important, and has employed a large share of our deliberations; we shall continue to pay due attention to the subject, and consider by what means our commerce and agriculture may be best promoted."

Mr. SMITH withdrew his motion, to admit Mr. TUCKER'S.

Mr. SENEY said, he could not conceive what ground of apprehension there was in the Address, to lead gentlemen to suppose that the opinion of the House would be committed by its adoption. He thought it couched in the most general and unexceptionable terms. The amendment proposed he did not think essentially variant from the paragraph under consideration; but as the original was well expressed, he saw no reason for expunging the clause; it contained an assertion, the truth of which he supposed would not be controverted. As to the objection against going into a detail of particulars, it was fully justified by precedent in the last Address; the gentleman from South Carolina, he will recollect, was on the committee who framed it; that Address more pointedly committed the House than the present.

Mr. MADISON thought proper to take some notice of the objections that had been made to the Report. There were two modes of proceeding, which might be adopted in drawing up the answer. The first method was generally to declare, that the House would take into their

H. of R.]

*Address to the President.*

[DEC. 13, 1790.]

serious consideration the business recommended to their attention by the President. And this, he observed, would be saying nothing, for, as by the Constitution it was the President's duty to communicate what matters he judged of importance, so it was undoubtedly that of the House to pay attention to the objects recommended. The second method was, to enter into a detail of the different points mentioned in the President's Address, and in such cases where there was no doubt as to the propriety of measures being taken, assure him, in the answer, that measures would be adopted; and if any thing doubtful occurred, merely promise that the subject would be attended to. This rule the committee had followed in drawing up their Report, and as in the business mentioned in the paragraph now before the House, they did not hesitate to believe some measures necessary, they could see no impropriety in assuring him that the best would be adopted. He added, that as it is clear that a war in Europe would, by depriving us of foreign bottoms to export our produce, injure this country; and as wars were doubtful, it was of the utmost importance that the American navy be put on so respectable a footing as not to need foreign aid for the exportation of her produce. He further observed, that the answer returned last session was more full, and went even to give the President assurances that the House would concur in certain points proposed for their consideration in his Address. He concluded by remarking, that the amendment proposed was binding on the House quite as much as the paragraph in the Report.

Mr. SMITH (of S. C.) said, it was true those who reported the Address the last session adverted to particulars; but were cautious in their mode of expression, and adopted ambiguous language to avoid giving an opinion. This would appear by recurring to that Address. The charge of inconsistency, on his part, was therefore not well founded. Mr. S. read some paragraphs of that Address, and observed, that the House was not pledged by the expressions then read; but in the present Address there is an opinion given. It says that we ought not to depend on foreign bottoms, because in case of war we may be deprived of that resource. These declarations originated the objections, and gave rise to the amendment. He proposed, therefore, as gentlemen appear to have no objection to either mode of expression, that they would accommodate for the sake of harmony and unanimity.

The question on the amendment was lost by a considerable majority.

The remainder of the Address was read, and agreed to by the committee. The committee then rose and reported, and the House adopted it unanimously.

A committee was then appointed to wait on the President of the United States, to know at what time and place it would be convenient for him to receive the Address.

The committee having waited on the President, Mr. MADISON reported, that the President was pleased to return for answer, that, at two o'clock on Monday next, he would receive the Address at his own house.

MESSRS. WILLIAMSON and SHERMAN were added to the committee on the bill to amend the act for promoting the progress of the useful arts.

Mr. MATTHEWS was appointed on the committee on the militia bill, *vice* Mr. JACKSON, who begged leave to decline serving, as his colleague had been heretofore on that business, and must consequently be better acquainted with the subject than he was.

MONDAY, December 13.

GEORGE LEONARD, from Massachusetts; JOHN VINING, from Delaware; JOSIAH PARKER, from Virginia; JOHN BAPTIST ASHE, from North Carolina; and EDANUS BURKE, from South Carolina, appeared and took their seats.

PUBLIC CREDIT.

The SPEAKER laid before the House a letter from the Secretary of the Treasury, accompanying his Report of a further provision for the establishment of the Public Credit, made pursuant to an order of the House of the ninth day of August last; which were read, and ordered to be committed to a Committee of the whole House on this day sevensnight.

EULOGIUM ON DR. FRANKLIN.

Mr. SMITH (of S. C.) introduced the following motion, which was read, and laid on the table:

This House being highly sensible of the polite attention of the Commonalty of Paris, in directing an Eulogium to the illustrious memory of Dr. BENJAMIN FRANKLIN, pronounced before them, to be transmitted to the President and Congress of the United States, *Resolve*, that the Speaker communicate the sense of this House in a letter addressed to the President and Commonalty of Paris.

EVIDENCES OF PUBLIC DEBT.

Mr. LEE laid the following motion on the table:

"That a committee be appointed to bring in a bill directing the mode in which the evidences of the public debt of the United States, which may have been, or shall be lost, shall be renewed."

ADDRESS TO THE PRESIDENT.

At two o'clock, the House, preceded by the Sergeant-at-Arms, waited on the President of the United States, at his house, where the SPEAKER delivered the following Address in answer to his Speech to both Houses:—

SIR: The Representatives of the People of the United States have taken into consideration your Address to the two Houses at the opening of the present session of Congress.

We share in the satisfaction inspired by the prospects which continue to be so auspicious to our public affairs. The blessings resulting from the smiles of Heaven on our agriculture, the rise of pub-

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*National Bank.*

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lic credit, with the further advantages promised to it, and the fertility of resources which are found so little burthensome to the community, fully authorize our mutual congratulations on the present occasion. Nor can we learn without an additional gratification, that the energy of the laws for providing adequate revenues have been so honorably seconded by those classes of citizens whose patriotism and probity were more immediately concerned.

The success of the loan opened in Holland, under the disadvantages of the present moment, is the more important, as it not only denotes the confidence already placed in the United States, but as the effects of a judicious application of that aid will still further illustrate the solidity of the foundation on which the public credit rests.

The preparatory steps taken by the State of Virginia, in concert with the District of Kentucky, towards the erection of the latter into a distinct member of the Union, exhibit a liberality mutually honorable to the parties. We shall bestow on this important subject the favorable consideration which it merits, and with the national policy which ought to govern our decision, shall not fail to mingle the affectionate sentiments which are awakened by those expressed in behalf of our fellow-citizens of Kentucky.

Whilst we regret the necessity which has produced offensive hostilities against some of the Indian tribes Northwest of the Ohio, we sympathise too much with our Western brethren, not to behold with approbation the watchfulness and vigor which have been exerted by the Executive authority, for their protection; and which, we trust, will make the aggressors sensible that it is their interest to merit, by a peaceable behavior, the friendship and humanity which the United States are always ready to extend to them.

The encouragement of our own navigation has, at 2½ times, appeared to us highly important. The point of view under which you have recommended it to us is strongly enforced by the actual state of things in Europe. It will be incumbent on us to consider in what mode our commerce and agriculture can be best relieved from an injurious dependence on the navigation of other nations, which the frequency of their wars renders a too precarious resource for conveying the productions of our own country to market.

The present state of our trade in the Mediterranean seems not less to demand, and will accordingly receive the attention which you have recommended.

Having already concurred in establishing a Judiciary system, which opens the doors of justice to all without distinction of persons, it will be our disposition to incorporate every improvement which experience may suggest; and we shall consider, in particular, how far the uniformity which in other cases is found convenient in the administration of the General Government through all the States, may be introduced into the forms and rules of executing sentences issuing from the Federal Courts.

The proper regulation of the jurisdiction and functions which may be exercised by Consuls of the United States in foreign countries, with the provisions stipulated to those of His Most Christian Majesty established here, are subjects of too much consequence to the public interest and honor not to partake of our deliberations.

We shall renew our attention to the establishment

of the militia and other subjects unfinished at the last session, and shall proceed in them with all the despatch which the magnitude of all, and the difficulty of some of them, will allow.

Nothing has given us more satisfaction than to find, that the revenues heretofore established have proved adequate to the purposes to which they were allotted. In extending the provision to the residuary objects, it will be equally our care to secure sufficiency and punctuality in the payments due from the Treasury of the United States. We shall also never lose sight of the policy of diminishing the public debt, as fast as the increase of the public resources will permit; and are particularly sensible of the many considerations, which press a resort to the auxiliary resources furnished by the public lands.

In pursuing every branch of the weighty business of the present session, it will be our constant study to direct our deliberations to the public welfare. Whatever our success may be, we can at least answer for the fervent love of our country, which ought to animate our endeavors. In your co-operation, we are sure of a resource, which fortifies our hopes, that the fruits of the established Government will justify the confidence which has been placed in it, and recommend it more and more to the affection and attachment of our fellow-citizens.

To the foregoing Address the President was pleased to reply:

GENTLEMEN: The sentiments expressed in your Address are entitled to my particular acknowledgment. Having no object but the good of our country, this testimony of approbation and confidence, from its immediate Representatives, must be among my best rewards, as the support of your enlightened patriotism has been among my greatest encouragements. Being persuaded that you will continue to be actuated by the same auspicious principle, I look forward to the happiest consequences from your deliberations during the present session.

GEO. WASHINGTON.

TUESDAY, December 14.

JEREMIAH VAN RENSSELAER, from New York, and THOMAS HARTLEY, from Pennsylvania, appeared and took their seats.

The following message was received from the President of the United States:

UNITED STATES, December 13, 1790.

*Gentlemen of the Senate  
and House of Representatives:*

Having informed Congress of the expedition which had been directed against certain Indians Northwest of the Ohio, I embrace the earliest opportunity of laying before you the official communications which have been received upon that subject.

GEO. WASHINGTON.

The official communications referred to in the said message were read, and ordered to lie on the table.

NATIONAL BANK.

The SPEAKER laid before the House a letter from the Secretary of the Treasury, accompanying his Report, number two, of a plan for the institution of a National Bank, as referred to in his letter of yesterday, which was read, and or-

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dered to be committed to a Committee of the whole House on this day sevensnight.

*Ordered*, That a committee be appointed to bring in a bill or bills directing the mode in which the evidences of the debt of the United States, which have been, or may be, lost or destroyed, shall be renewed; and that Messrs. LEE, TRUMBULL, and CADWALADER, be of the said committee.

## UNIFORM MILITIA.

Mr. BOUDINOT, from the committee appointed for the purpose, brought in a bill to establish a uniform militia throughout the United States; which was twice read, and committed.

WEDNESDAY, December 15.

Mr. JACKSON moved that leave be given to bring in a bill to continue an act, declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations, which will expire the 10th day of January next.

A committee was accordingly appointed, consisting of Messrs. JACKSON, AMES, and STURGES.

## PRESIDENT'S SPEECH.

On motion of Mr. SMITH, (of S. C.) the House resolved itself into a Committee of the whole, Mr. LIVERMORE in the chair; and took into consideration the Speech of the President of the United States to both Houses of Congress. The Speech was read by the Clerk; after which Mr. SMITH, of South Carolina, recapitulated the several subjects specially suggested to the consideration of the House by the Speech; he distinguished such parts of the Speech as were already in train, by being referred the last session to heads of Departments, and others which have been referred to committees; and then moved a resolution with a blank to be filled up with such articles as are not already particularly provided for, by being referred or committed.

Mr. BOUDINOT was in favor of choosing a committee to confer with the Senate on the mode of taking up the several parts of the Speech.

Mr. VINING was in favor of Mr. SMITH's motion.

Mr. LAWRENCE said, that it appeared to him that the usual mode of considering the Speech would be the best; he, therefore, thought it proper that it should be taken up in paragraphs; and where it appeared that particular parts were already disposed of, to let them be passed over; and with respect to others, committees might be appointed, as the Committee of the whole may determine.

Mr. CLYMER supposed, that agreeable to the determination of the House last session, the whole business should be taken up *de novo*.

The Chairman observed, that as the whole Speech was now before the committee, it remained to proceed to the discussion of the several parts; pursuant to which he should read

it paragraph by paragraph, and the committee would determine respecting them as they saw proper; this appeared to him to be the natural way of doing the business.

Mr. VINING said, the difficulty appeared to originate in the mode; for his part, he thought the least circumlocutory the best, and for that reason had seconded the motion by the gentleman from South Carolina.

The motion of Mr. SMITH lay on the table—and the Chairman proceeded to read the Speech in paragraphs. On reading the paragraph respecting the Indian expedition, Mr. S. moved that the article should be inserted in the blank in his motion.

Mr. LAWRENCE supposed it best to pass over this article.

Mr. VINING concurred in the sentiment with Mr. LAWRENCE.

Mr. HARTLEY was opposed to passing this matter over; the prospect that further hostilities would take place between the inhabitants of the frontiers and the Indians, rendered it highly necessary that something should be done immediately.

Mr. SENEY said, he had no idea that any gentleman in the committee had it in view to pass over this business entirely; still he thought it impossible to determine at once what is proper to be done on every subject. The mode proposed by the gentleman from South Carolina appeared to him calculated to commit the judgment of the House.

Mr. LEE observed, that as the committee, as such, had no right to appoint a committee of any kind, he thought that any thing further than expressing the sense of the committee on the several parts of the Speech would be improper; with this view he submitted a resolution to the following effect, on the paragraph respecting Indian affairs, viz:

*Resolved*, That it is the opinion of the committee that the present posture of Indian affairs requires the serious attention of the Legislature.

This was seconded by Mr. SENEY.

Mr. SMITH objected to this motion as it did not bring the object fully before the committee. If the gentleman would consent that it should go so far as to propose the appointment of a Select Committee, he should have no objection to it.

Mr. LEE supported his motion.

Mr. LAWRENCE observed, that it appeared to him that nothing more was necessary to be done in this business, than providing the means of defraying the expense; he had supposed it would strike the committee in this point of light. The expediency or in expediency of the expedition he presumed was not now to be discussed. The President does not appeal to the House to determine the propriety of his conduct. The expedition has been approved of by the House in their answer to the President's Speech. He therefore moved the following:

*Resolved*, As the sense of this committee, that immediate provision ought to be made to defray the ex-



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penses of the expedition against the Indians, Northwest of the Ohio.

Mr. LEE withdrew his motion; and that of Mr. LAWRENCE being put, it was agreed to.

The paragraph respecting our navigation being read, Mr. GOODHUE observed, that the reason assigned by the gentleman from South Carolina, for passing over that part of the President's Speech, that this subject was connected with the fisheries on which a Report from the Secretary of the Treasury was expected, did not appear sufficient to him to justify their passing it over. He, therefore, moved the following:

*Resolved*, As the sense of this committee, that a committee ought to be appointed to bring in a bill for the further encouragement of the navigation of the United States.

Mr. SMITH observed, that he thought the subject was referred to the Secretary of State. He read a paragraph from the Speech to show it was connected with the fisheries. He wished for a suspension of the business, as the exact state of affairs in Europe was at present unknown.

Mr. FITZSIMONS said, that the reasons offered were sufficient to prevent a sudden decision; but did not, in his opinion, render it improper to take up the subject immediately. He should be opposed to an ultimate decision till the fullest information is obtained.

Mr. VINING entered into a general consideration of the subject. He thought the present the critical moment in which this interesting business should be discussed on its own proper principles; he thought the proposed resolution did not enter fully enough into the merits of the subject, agreeable to the ideas suggested by the President; he, therefore, proposed a resolution which went to express the sentiments of the House respecting making provision for the transportation of American produce in American bottoms.

Mr. GOODHUE objected to the motion of Mr. VINING at the present moment; though he fully accorded with him in principle, he thought the motion he had submitted would more generally meet the present ideas of the committee.

Mr. JACKSON opposed Mr. VINING's motion; he said, though he was against taking any measures at present, he preferred the resolution of the gentleman from Salem.

Mr. VINING withdrew his motion.

Mr. GOODHUE's motion being put, passed in the affirmative.

The paragraph respecting the Mediterranean trade being read, Mr. SMITH moved the following:

*Resolved*, That such part of the President's Speech as relates to the trade to the Mediterranean be referred to the Secretary of State.

Agreed to.

On the subject of weights and measures, Mr. VINING moved the following:

*Resolved*, As the sense of this committee, that a committee ought to be appointed to bring in a bill or

bills providing for the establishment of a uniform standard of weights and measures throughout the United States.

Mr. BOUDINOT suggested the propriety of passing over this business at present; he mentioned a reason offered by the Secretary of State, that there was to be a Convention in Europe on this particular business; the result of the meeting is not yet known.

Mr. LAWRENCE proposed that as the Report of the Secretary of the Treasury had not been acted upon, that it should now be referred to a Committee of the whole House.

Mr. VINING observed, that if that Report was to be discussed by the House, they must divest themselves of the character of politicians, and assume that of philosophers; the discussion he conceived would employ the committee till next March twelve months. He thought the mode he proposed would be found more simple, and the committee appointed would naturally avail themselves of the Secretary's Report.

Mr. SMITH (of S. C.) was in favor of taking up the Secretary's Report in Committee of the whole.

Several members spoke against Mr. VINING's motion, which being put, was lost.

The committee then rose, and reported the resolutions they had agreed upon to the House; which being read, are as follows:

*Resolved*, As the opinion of this committee, that immediate provision be made to defray the expenses of the expedition against the Indians, Northwest of the Ohio.

This resolution was agreed to, and referred to the Secretary of the Treasury.

*Resolved*, As the sense of this committee, that a committee ought to be appointed to bring in a bill or bills making further provision for the encouragement of the navigation of the United States.

Agreed to by the House, and referred to a committee of twelve.

*Resolved*, That such parts of the President's Speech as refer to the Mediterranean trade be referred to the Secretary of State.

On motion of Mr. BOUDINOT, it was

*Resolved*, That the Report of the Secretary of the Treasury on the subject of the unappropriated lands, and the instituting a land-office, be referred to a Committee of the whole House on Friday next.

On motion of Mr. SMITH, of South Carolina, the Report of the Secretary of State on the subject of weights and measures was referred to a Committee of the whole House on Wednesday next.

THURSDAY, December 16.

A petition of John Churchman, praying that the application he made at the first session of Congress, for permission to undertake a voyage to Baffin's Bay, at the public expense, for the purpose of making magnetical experiments to ascertain the causes of the variation of the needle,

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and how near the longitude can be thereby ascertained, may now be determined.

*Ordered*, That the said petitions do lie on the table.

Mr. JACKSON, from the committee appointed for the purpose, presented a bill to continue an act for declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island.

#### MILITIA.

The House resolved itself into a Committee of the whole on the bill to establish a uniform militia throughout the United States, Mr. LIVERMORE in the chair.

The committee made some progress in the discussion of the bill. Several amendments and alterations were proposed, and some of them adopted.

Mr. PARKER observed, the clause which enacts that every man in the United States shall "provide himself" with military accoutrements would be found impracticable, as it must be well known that there are many persons who are so poor that it is impossible they should comply with the law. He conceived, therefore, that provision should be made for arming such persons at the expense of the United States. He then gave notice that, in the course of the discussion of the bill, he should move an amendment to this purpose.

Mr. GILMAN observed, that obliging persons to turn out in the militia till they were fifty years of age, agreeable to the bill, would be found unnecessary and inconvenient, and is contrary to the practice of the several States; few, if any, requiring militia duties to be performed after the age of forty-five. He moved therefore, that fifty be struck out, and forty-five inserted.

Mr. VINING objected to the motion. He observed, that a great proportion of our citizens, especially those at the Eastward and Northward, were as capable of military services at fifty as at any period. Many in the ranks of the late Continental army, were, he believed, fifty and upwards, who were as good soldiers as any in the service. He thought the alteration unnecessary.

Mr. GILMAN replied, that he conceived the general practice of the States, which was found on experience to be the best, was a sufficient answer to the gentleman last speaking, and would sanction the adoption of the amendment he proposed.

Mr. LAWRENCE said, that by the laws of the State of New York, persons above forty-five years of age are not enrolled to do duty in the militia; and he thought that fifty was a period too late in life to be subject to military hardships, if it could be avoided.

Mr. WILLIAMSON was in favor of the motion. Though he had seen men in the field who were advanced in life, it had not been without pain. He thought from sixteen to eighteen too early a period. Many at that tender age fell sacrifices to sickness and fatigue.

Mr. GILMAN's motion being put, was carried in the affirmative.

Mr. FITZSIMONS suggested to the consideration of the committee, whether it would be the most eligible mode to subject all the citizens from eighteen to forty-five years of age, without exception, to turn out as soldiers. A much smaller number would, in his opinion, answer all the purposes of a militia. He thought the active militia might be comprised within a much smaller number, to be proportioned to the citizens of each State. The militia law of Pennsylvania had been of this general complexion, and had never compensated in its operation for the uneasiness it had excited, and the tax and grievance it had been to the people.

Mr. BOUDINOT said, that the idea now suggested was debated in the committee; and they could not agree upon any other mode than that proposed in the bill. He very much disapproved the idea of making a soldier of every man between eighteen and forty-five years of age—there is a manifest impropriety in the measure; and he wished some gentleman would propose an alteration.

Mr. LAWRENCE said, that the idea of the gentleman from Pennsylvania struck at the principle of the bill; but as the hint may not be unworthy of consideration, he proposed that he should form a motion, and reduce it to writing.

Mr. FITZSIMONS apologized for engrossing the time of the committee, especially as he had not prepared an amendment to that part of the bill to which he objected, not having contemplated the subject sufficiently; but on perusing the bill, it had been forcibly impressed on his mind, that subjecting the whole body of the people to be drawn out four or five times a year was a great and unnecessary tax on the community; that it could not conduce either to the acquisition of military knowledge, or the advancement of morals. As far as the whole body of the people are necessary to the general defence, they ought to be armed; but the law ought not to require more than is necessary; for that would be a just cause of complaint.

Mr. WADSWORTH said, that it appeared to him the gentleman's objections went only to that part of the bill which points out the number of days to be devoted to training the militia; as he had conceded that all from eighteen to forty-five ought to be armed.

Mr. JACKSON said, that he was of opinion that the people of America would never consent to be deprived of the privilege of carrying arms. Though it may prove burthensome to some individuals to be obliged to arm themselves, yet it would not be so considered when the advantages were justly estimated. Original institutions of this nature are highly important. The Swiss Cantons owed their emancipation to their militia establishment. The English cities rendered themselves formidable to the Barons, by putting arms into the hands of their militia; and when the militia united with the Barons, they extorted *Magna Charta* from King John. I u

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France, we recently see the same salutary effects from arming the militia. In England, the militia has of late been neglected—the consequence is a standing army. In Ireland, we have seen the good effects of arming the militia, in the noble efforts they have made to emancipate their country. If we neglect the militia, a standing army must be introduced; but if the idea suggested by the gentleman from Pennsylvania is adopted, certain classes must be drawn out, and kept for months together, which would prove as great a burthen as a standing army. None of the States, he observed, have adopted such a plan. In Georgia, the militia service has been as strict as is contemplated by the bill, but they have never complained. In a Republic every man ought to be a soldier, and prepared to resist tyranny and usurpation, as well as invasion, and to prevent the greatest of all evils—a standing army. Mankind have been divided into three classes, Shepherds, Husbandmen, and Artificers—of which the last make the worst militia; but as the arts and sciences are the sources of great wealth to the community, which may excite the jealousy and avarice of neighbors, this class ought to be peculiarly qualified to defend themselves and repel invasions; and as this country is rising fast in manufactures, the arts and sciences, and from her fertile soil may expect great affluence, she ought to be able to protect that and her liberties from within herself.

Mr. PARKER here introduced his motion, to amend the bill by a proviso, that persons who shall make it appear that they are not able to equip themselves, shall be furnished at the expense of the United States.

Mr. WADSWORTH objected to this amendment. He said, it would empower the officers to create an enormous charge against the United States. He said, he had read almost all the militia laws of the several States, and had found no such provision in one of them; there is not a considerable number of such persons in any of the States; and rather than have this proviso inserted, he would prefer a clause to excuse them altogether.

Mr. PARKER said, that in Virginia there is a law, which provides that poor persons, not able to arm themselves, should be equipped at the expense of the State. In every State there are doubtless many such persons, who ought to be provided for by the General Government; and if they are not, the law is rendered impracticable; as you require more than is possible for them to perform. As to excusing such poor persons from military duty, they would be found in cases of emergency, very useful to defend those, who do not choose to risk their own persons.

Mr. HUNTINGTON said, if the gentleman would vary his motion, so that the expense should be incurred by the State, he did not know but he should agree to it. There is one State, said he, in which every person is obliged to provide himself with arms and accoutre-

ments—and no difficulty has resulted from the law. Penalties on default are exacted and collected; but this proposition will produce great inequalities; it will excite jealousies and discord between the Governments—but if left to the States, the officers will be more exact to prevent impositions on the particular State from which they receive their appointments.

Mr. PARKER agreed to alter his motion agreeable to Mr. HUNTINGTON's idea.

Mr. BOUDINOT said, that there did not appear to be any necessity for the amendment, as the bill makes provision for excepting persons who are unable to purchase arms, in case the State Legislatures choose to make such exceptions.

Mr. GILES said, he was opposed to the motion on principle; but if that was not the case he should object to it in its present form as it was not full enough. He did not suppose that it was intended that the United States should make a present of the arms thus furnished—but the motion does not provide for their return, when not in use. His principal objection to the motion, however, arose from its being an improper interference with the authority of the State Governments. They may, or may not comply with the law. If they should not, it would prove nugatory—and render the authority of the United States contemptible. For these reasons, and others which had been advanced, he thought the amendment improper.

Mr. BLOODWORTH observed, that as the militia was to be organized and disciplined under the authority of the United States, and to be employed for the general defence, whenever and wherever Congress should direct, it appeared but reasonable that those who were benefited by them should be at the expense of arming them.

Mr. SHERMAN said, it appeared to him, that by the Constitution, the United States were to be put to no expense about the militia, except when called into actual service. The clause is not so explicit as might have been wished; but it will be difficult to fix the construction mentioned by the gentleman from North Carolina. What relates to arming and disciplining means nothing more than a general regulation in respect to the arms and accoutrements. There are so few freemen in the United States who are not able to provide themselves with arms and accoutrements, that any provision on the part of the United States is unnecessary and improper. He had no doubt that the people, if left to themselves, would provide such arms as are necessary, without inconvenience or complaint; but if they are furnished by the United States, the public arsenals would soon be exhausted—and experience shows, that public property of this kind, from the careless manner in which many persons use it, is soon lost. The expense and inconvenience would, in his opinion, far overbalance any good that would be derived from such a proposition.

Mr. VINE observed, that the greatest objec-

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tion against the motion is, that it stops short in the regulation of the business. No provision, it is said, is made for the return of the arms to the public; and it gives a discretionary power to the officers to dispose of the property of the United States; but he conceived these difficulties were not beyond the reach of remedies; the wisdom of the House, he doubted not, would devise such as were adequate to the object. He asked by what means minors were to provide themselves with the requisite articles? Many of them are apprentices. If you put arms into their hands, they will make good soldiers; but how are they to procure them? It is said, if they are supplied by the United States the property will be lost; if this is provided against, every objection may be obviated. He then offered an addition to the motion, providing for the return of the arms to the commanding officer.

The Chairman then stated the motion with the amendment.

Mr. TUCKER observed, that the motion in its present form differed from the original proposed by the gentleman from Virginia. He conceived the gentleman had no right to alter it, nor could it be done without a vote of the committee. He preferred the motion in its original state—for the United States may, without doubt, furnish the arms—but he very much questioned their right to call on the individual States to do it.

Mr. WILLIAMSON was in favor of the question's being taken with the amendment admitted by Mr. PARKER. He wished to know whether Congress meant to tax the individual States in this unusual manner. Perhaps as they had assumed the State debts upon this principle, or rather without any principle, they might think they had a right to call upon them to furnish quotas in proportion, this would be getting something for something; and not like the other measure, losing something for nothing.

Mr. VINING said, he could not understand what was meant by saying that the amendment was dictating to the States. What is the whole bill but dictating; a law that affects every individual, touches the whole community. With respect to the constitutionality of the measure, there can be no doubt; every grant of power to Congress necessarily implies a conveyance of every incidental power requisite to carry the grant into effect.

Mr. WADSWORTH apologized for detaining the attention of the committee a moment, while he asked the gentlemen who favored the motion what was the extent of their wishes? The motion at first appeared to be in favor of poor men, who are unable to purchase a firelock; but now it seems, minors and apprentices are to be provided for. Is there a man in this House who would wish to see so large a proportion of the community, perhaps one-third, armed by the United States, and liable to be disarmed by them? Nothing would tend more to excite suspicion, and rouse a jealousy dangerous to the

Union. With respect to apprentices, every man knew that they were liable to this tax, and they were taken under the idea of being provided for by their masters; as to minors, their parents or guardians would prefer furnishing them with arms themselves, to depending on the United States when they knew they were liable to having them reclaimed.

The question on Mr. PARKER's motion was lost.

On motion of Mr. HEISTER, a proviso was added to the section in the following words:

"That every citizen so enrolled, and providing himself with the arms and accoutrements required as aforesaid, shall hold the same exempt from all executions, or suits for debt, or for the payment of taxes."

Mr. FITZSIMONS moved to strike out the words "provide himself," and insert "shall be provided."

This motion was objected to by Messrs. BOUNDINOT, HUNTINGTON, JACKSON, PARTRIDGE, VINING, and MADISON. It was said that it would be destructive of the bill, as it would leave it optional with the States, or individuals, whether the militia should be armed or not.

This motion was lost by a great majority. The second section comprises the characters that are to be exempted from enrolment or militia duty.

Mr. MADISON moved to strike out that part which related to members of Congress, their officers and servants, attending either House—and to insert "members of the Senate and House of Representatives whilst travelling to, attending at, or returning from the sessions of Congress." He saw no reason for a total exemption from militia service; exceptions in favor of the framers of laws ought not to be extended beyond what is evidently necessary. The members of Congress, during the recess, are at liberty to pursue their ordinary avocations, and may participate in the duties and exercises of their fellow-citizens. They ought to bear a part in the burdens they lay on others, which may check an abuse of the powers with which they are vested.

Mr. JACKSON observed, that this alteration might interfere with the public interest; in cases of alarm or invasion, the members might be called to a great distance in the militia at the moment when their presence was required to attend the session of the Legislature. It would be well therefore to consider whether their services in the militia would be of equal importance to the public interest, as their services in Congress.

Mr. BOUNDINOT objected to the amendment; not that he would exempt members of Congress from burdens imposed on their fellow-citizens; but the motion he conceived was inconsistent with this very idea. The bill provides that exempts shall pay a certain equivalent; it would be unjust to impose this equivalent, and compel the members of Congress to turn out in the

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militia. He concluded by saying, that he conceived the independence of the Legislature was connected with this exemption.

Mr. WADSWORTH said, that he thought there was no necessity to exempt members of Congress. If the Constitution did not grant them such a privilege, he doubted whether they could assume it by an act of their own. He was therefore for leaving this matter to the discretion of the State Legislatures; no inconvenience would result if this was done.

Mr. HARTLEY was in favor of the exemptions being specified by act of Congress; and he conceived they had the plainest directions to follow, in the universal practice of all the State Legislatures; and this practice was founded in the reason of things, the incompatibility of the duties; they are distinct in their natures, and cannot be exercised together.

Mr. MADISON supported his motion, he considered it as important that the Governors and the governed should feel their mutual relation to each other; on this principle he thought that no exemption should be allowed, except in cases where an attendance on militia duty was incompatible with the performance of other duties; for these reasons, he wished that the whole clause should be struck out; in cases of difficulty a court-martial would be competent to doing justice to the parties.

Mr. GILES followed Mr. MADISON in a similar train of reasoning in respect to rulers sympathizing with the ruled in all public burthens; he adverted to the different plans of organizing the militia which had been contemplated by the committee, and the reasons which induced them to adopt that in the bill. With respect to the plan of selecting particular classes to form a militia, it could not, in his opinion, be done, but by enlistments, which was a mode that the freemen of America revolted from. He said, that no insuperable difficulties would result from rendering all liable to be called upon. Should the clause be struck out, the equivalent mentioned in another part of the bill will be unnecessary, and the article may be expunged. He concluded by saying, that if it was thought proper that the members of Congress should be exempted, it would be best that the exemptions should be made by the State Legislatures.

Mr. SHERMAN said, it was the practice of the several States to exempt their own Legislatures, and the other descriptions of persons mentioned in the clause. He conceived a seat in the Federal Legislature would equally entitle to an exemption. He was opposed to the amendment, though he would agree to strike out the whole, and leave the business to the State Legislatures.

Mr. JACKSON observed, that leaving the exemptions from militia duty to the discretion of the State Legislatures might be productive of great inequalities; besides it would not comport with the idea of the bill in the grand object of uniformity. Some States might make great exemptions, others none at all; this would make

the burthen very unequal on the whole, which would be palpably unjust. The examples of the State Legislatures is sufficient to show that some exemptions are agreeable to the ideas of the people; and the independence of the Legislature being essentially concerned, leaves no room to doubt the propriety of the measure. He informed the committee that when they came to the clause specifying the sum proposed as an equivalent for personal service, he should move for an alteration.

Mr. HARTLEY observed, that the Constitution declares that the persons of members shall be privileged from arrest during their attendance on Congress; in going to, and returning from the session; with a special reference to the independence of the Legislature. He conceived that it would counteract the spirit of the Constitution to render the members liable to be called on to discharge duties incompatible in their nature; on this principle also, it would be in the power of a designing President, should such a character ever be elected, to prevent the members assembling by calling out individuals to attend military duties at the moment when their attendance would be necessary in Congress. The States individually, as well as the Parliament of Great Britain, have set us a good example in this respect.

Mr. BOUDINOT agreed in sentiment with Mr. HARTLEY, that the independence of the members was an important object. The ideas of the gentlemen from Virginia (Messrs. MADISON and GILES) that legislators ought to participate in the burthens imposed on others, ought never to be lost sight of—but in the present instance, the doctrine would be carried into practice; for at the end of every two years, the members would revert to the mass of citizens, and feel in common with others the influence of the laws. The business of legislation is more arduous and momentous than any other; and ought not to be impeded, or rendered liable to be frustrated by any other. This he thought would be the case by adopting the amendment.

Mr. MADISON supposed nothing would be risked by the amendment, as the Constitution had sufficiently secured the independence of the members. He had not anticipated so much debate on the motion. He was satisfied in his own mind of its propriety. The possible cases which had been stated did not, in his opinion, justify the violation of the great principle he had mentioned; but, to simplify the question, he would withdraw his motion, so far as only to propose to strike out from the exemptions, "the members of Congress."

Mr. TUCKER said, that it appeared to him that some general ideas on the subject of exemptions should be incorporated in the bill. If the committee descend to particulars, they will find it extremely difficult to make such distinctions as are proper. He was opposed to leaving the exemptions to be made by the State Governments. It might create difficulties, as

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some States might exempt their members, and others might not. These partial exemptions would be attended with great inconveniences; the members may be necessarily engaged in making their arrangements to attend their duty in Congress, previous to the time of setting out for the seat of Government, and be interrupted by being called to the field to attend militia duty. The number of persons it will be found eligible to exempt, will not be so great as to render the defence of the United States precarious for want of their personal services in the militia. He concluded by observing, that the principle of uniformity, and the competency of the Federal Legislature to making adequate provision in the case, point out the impropriety of leaving the business to the State Legislatures.

Mr. SMITH pursued the idea of Mr. TUCKER, and observed, that, to be consistent, the motion ought to go further, and extend to exempting ministers of the Gospel, only while engaged in preaching; the schoolmaster, while teaching; the miller, while attending his mill, &c. In short, it ought to be so particular as to amount to no exemption at all.

Mr. WHITE spoke in favor of the motion. The Constitution, said he, has sufficiently defined the privileges of the members. With respect to the State officers, he was in favor of leaving them to be exempted by the State Legislatures; nor was he apprehensive they would abuse the power by exempting half their citizens, as this would only increase the burthen on the other half.

Mr. JACKSON said, he would be still opposed to the motion from this interesting consideration, if no other existed. That it might, in its operation, deprive 30,000 citizens of their vote in the National Legislature.

Mr. VINING added a few observations in favor of the motion; and then the question being taken, it was negatived, twenty-four to eighteen.

FRIDAY, December 17.

JOHN HATHORN, from New York, and JOHN SEVIER, from North Carolina, appeared, and took their seats.

BENJAMIN BOURN, a member returned from Rhode Island, produced his credentials, and took his seat.

An address was presented from the people called Quakers, praying an exemption from militia duties and penalties on that account.

The bill for continuing an act declaring the consent of Congress to certain acts of several States was read a second time, and ordered to be engrossed for a third reading.

A message was received from the Senate, informing the House that they have passed a bill supplementary to an act making further provision for the debts of the United States, in which they desire the concurrence of the House, which was read the first time.

In committee of the whole on the Militia bill, the subject of exemptions occasioned further debate. The committee agreed to sundry alterations, and proceeded in the discussion to the third section; they then rose and reported progress.

MONDAY, December 20.

MICHAEL JENIFER STONE, from Maryland, appeared, and took his seat.

The engrossed bill to continue an act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island was read the third time and passed.

PUBLIC DEBT.

The bill from the Senate, supplementary to the act making further provision for the payment of the debts of the United States, was read the second time.

Mr. BENSON, from the committee appointed for the purpose, presented a bill declaring the officer who, in case of vacancies both of the offices of President and Vice President of the United States, shall act as President; also a bill declaring the respective times when the electors to vote for a President of the United States shall be appointed and shall give in their votes; also a bill directing the mode in which the lists of the votes for a President shall be transmitted to the seat of Government; which passed their first reading.

MILITIA.

The House went again into a Committee of the whole on the bill for establishing a uniform militia, Mr. LIVERMORE in the chair.

Mr. FITZSIMONS moved an amendment, by which the light infantry or riflemen, one company of artillery and one troop of horse should be selected from the militia without reference to any particular age. He said the clause which enacts that these companies should be composed of persons from eighteen to twenty-five years of age would operate against several particular interests, especially mechanics and manufacturers.

Mr. MADISON remarked that by the bill all persons between the ages of eighteen and twenty-five were to serve in those companies; it was not confined to artificers alone. The agricultural interest had as much cause to complain. But the intention of making the youth perform double duty was that they might speedily be taught the military art, and be enabled to defend their country, if her situation called for their aid.

Mr. JACKSON was opposed to it. He said that from eighteen to twenty-one was found to be the best age to make soldiers of. After that period men become engaged in the concerns of life, get married, have children, enter into business, &c. It would not bear harder on the manufacturers and mechanics than on the farmers; and as the seaports have generally more at stake, it seems to follow that the obligation is stronger on them to turn out in the militia.

Mr. HEISTER was in favor of the motion.



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Mr. FITZSIMONS said he was misunderstood. He did not mean that persons from eighteen to twenty-five should be excused from military duty. His wish was that such persons should not be particularly pointed out for this duty.

Mr. LAWRENCE was in favor of the motion. He observed that it was not age alone that was to be considered in forming light infantry or artillery companies; there are other considerations, as size, agility, &c. He thought the motion a good one.

Mr. AMES was also in favor of the motion. He thought confining the selections for those companies to the particular period mentioned would deprive us of the services of many of the soldiers of the late Continental army, whose knowledge and experience would be highly useful. He suggested difficulties which would result from collecting the persons of the above age from different parts of the country in order to forming them into such companies.

Mr. STURGES observed that he thought a simple regulation that all the militia should be called out so many times a year would be sufficient. This general plan would leave the several independent corps as they now are; and these particular companies would be selected as heretofore.

Mr. PARTRIDGE was opposed to the amendment. The object of the bill being to discipline the militia, it seemed to follow of course that persons of an age the most likely to learn should not be excepted.

Mr. GILES said, that gentlemen did not appear to take a comprehensive view of the bill, one object of which is to establish a military school. In order to do this, the bill proposes that persons should commence their military course at an early age. If such persons are called upon oftener than those of more than twenty-five years, it does not follow that it is unequal; their military knowledge must be supposed to be less. He obviated the objection of the gentleman from New York by saying that as military knowledge is necessary for all, it follows that young persons of every size may be trained in one or the other of these companies.

Mr. FITZSIMONS still supported his motion, and said the difficulty started by the gentleman from Massachusetts, (Mr. AMES,) arising from local circumstances, had not been obviated.

Mr. BOURNOR said the difficulty on account of manufacturers had not escaped the committee; but it could not be avoided without destroying a principal feature of the bill. He said the objection might, however, be in some measure lessened by altering the clause from eighteen to twenty.

The question being taken, it passed in the affirmative.

Mr. SMITH's (S. C.) proviso respecting independent corps was read. It provided that companies in the respective States, incorporated by the Legislatures, should not be disbanded or included in the militia, but retain their former station.

Mr. GILES said, he was disposed to think this proviso more extensive than gentlemen imagine. It may, in its operation, exempt all the companies in the United States. The expression is so general and indefinite that it may not answer the purpose intended, as those companies are known by different denominations, while it may be productive of great difficulties from its want of precision.

Mr. AMES gave an account of the several independent companies in Massachusetts, particularly that known by the name of the Ancient and Honorable Artillery, a company which possessed funds, and had for many years been in possession of a charter from Government. It had been considered as a military school for a long time; it is composed of generals, colonels, and inferior officers, and other respectable persons. This, with other independent companies, rendered essential services in the time of the insurrection in that State; and they prove by their example a stimulus to the militia; they have incurred great expenses to equip themselves, and it is supposed merit the privileges and distinctions they have long enjoyed.

Mr. STURGES observed that the proviso was defective, as it does not point out the duties which these companies ought to perform.

Mr. HUNTINGTON said, these companies were, he believed, under the orders of the regimental colonels; at least, that was the case in some of the States.

Mr. SENEY moved, that as there were independent companies who are not incorporated, it would be proper to strike out the words "incorporated by the acts of the several States." He said, if this proviso should pass without his amendment, it would give exclusive privileges to particular companies who happen to be incorporated, while the same privileges will not be extended to other companies, equally meritorious, who do not happen to be incorporated.

Mr. SMITH's (S. C.) motion being put, was negatived.

The section which provides that the militia shall turn out four times a year in companies Mr. HARTLEY objected to. He said it would be too frequent. He did not consider the militia as a military school; and such frequent assemblings of the people had a tendency to dissipate the manners of the people, especially youth. He moved that the clause should be altered, so that companies and battalions should be obliged to turn out only twice a year.

Mr. WADSWORTH suggested an alteration in the amendment, that the clause should be altered to read once a year in battalion, and four times in companies.

Mr. GILMAN moved another amendment, that the militia should turn out in companies three times, and once in battalion.

Mr. JACKSON regretted that one principle of the bill was struck out respecting light infantry companies. He did not suppose that though we are obliged to have some standing troops we were to depend on them. He should regret

the time when this country would depend on a standing army. He enlarged on the importance of disciplining the militia. This, said he, is consistent with the strictest principles of republicanism. He believed the preservation of liberty very much depended on a good militia. He thought four times a year would not be too burthensome, and he was pretty sure it was little enough to answer any essential purpose.

Mr. SHERMAN was in favor of four times in companies at least, and in battalion as might be found convenient.

Mr. WADSWORTH observed, that less than four times would answer no good purpose at all. Indeed, it is said, nothing is to be expected; if that is the case, let us give up all thoughts of a militia bill; but what, then, becomes of your national defence?

Mr. HARTLEY's motion was lost.

Mr. SHERMAN moved that the clause be amended, to read, that regiments turn out once a year.—Carried.

On motion of Mr. WADSWORTH, the times of rendezvousing in regiments and companies are to be regulated by the officer commanding the brigade.

The clause which provides for a Commissary of military stores for each State, Mr. Parker moved should be struck out. He said the several States are competent to taking care of their own military property. This motion was agreed to.

Mr. WADSWORTH moved that the adjutant general should have the rank of brigadier, instead of lieutenant colonel as proposed by the bill.

Mr. SHERMAN observed, that according to the last regulations of the army no staff officer was to have any rank.

Mr. WADSWORTH replied, that the regulation which the gentleman had mentioned respected staff officers only who never have any command; but an officer of such importance as the adjutant general, on whom so much depended, and who might be invested with a very important command, he conceived ought to rank higher than a lieutenant colonel. This motion was adopted.

The committee rose and reported progress, and had leave to sit again.

#### TUESDAY, December 21.

The bill from the Senate supplementary to the act making further provision for the payment of the debts of the United States, was read the third time, and passed.

The bill declaring the officer who, in case of vacancies both in the offices of President and Vice President of the United States, shall act as President;

The bill declaring the respective times when the electors to vote for a President of the United States shall be appointed or chosen, and shall give their votes; and,

The bill directing the mode in which the lists of the votes for a President shall be transmitted

to the seat of Government of the United States, were read the second time and ordered to be committed to a Committee of the whole.

MESSERS. LAWRENCE, SENEY, FITZSIMONS, VINCING, and GOODHUE, were appointed a committee to bring in a bill to establish Health Offices in the principal ports of the Union.

#### MILITIA.

The House again went into a Committee of the whole on the bill for establishing a uniform Militia, Mr. LIVERMORE in the chair.

Mr. BLOODWORTH said, that in his opinion the House had entered too much into the minutiae of the business, and in a great measure were about depriving the States of the power granted to them by the Constitution. The General Government ought only to organize the militia, and direct the mode of discipline. The militia, he observed, was only under the direction of the General Government when called out in the actual service of the United States; different States had the appointment of the officers and the right of training them; but owing to the many particulars attended to in the bill, he could see but little room left to the States for the exercise of their power. He thought that endeavoring to establish a perfect uniformity in fines would render that part of the system very defective; as the same fine might be justly complained of as heavy in one part of the country, and at the same time be considered so trifling in another part as to render it ineffectual; he therefore wished that this part of the business might be left to the States to perform. He moved for striking out a number of clauses containing several of the particulars he objected to.—Not carried.

The twelfth, thirteenth, and fourteenth sections were read. The first two passed without alteration; the third was struck out.

Mr. MADISON said, he conceived it would be necessary to pass a law authorizing a President of the United States to call out the militia, as the Constitution only says that he shall be commander-in-chief of the militia when in the service of the United States, without giving him the power of ordering it out.

Mr. FITZSIMONS wished a clause inserted in the bill, granting to the President that power.

Mr. BOUDNOT conceived it was not the intention of the Constitution that he should be possessed of such a power. It could only be granted to him by a special act of Congress.

Mr. SMITH read a law passed last session, and still in force, giving him that authority.

The sixteenth section, providing penalties for those not performing militia duty, and pointing out exemptions, being read,

Mr. SHERMAN moved to have it struck out. It was, he said, an absolute poll-tax, and not levied according to the number of inhabitants, which was in violation of the Constitution.

Mr. BURKE said, it was contrary to the interest of the militia to establish so many exemptions as had been provided. He gave notice that when the report came before the House,

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he would move for their reduction, and gave his reasons fully. It was contrary to the Constitution, he also observed, to lay a tax upon certain classes of citizens; not being consonant with the principles of justice to make those conscientiously scrupulous of bearing arms pay for not acting against the voice of their conscience. This, he said, was called the land of liberty, in it, we boasted, that no one suffered on account of his conscientious scruples, and yet we are going to make a respectable class of citizens pay for a right to a free exercise of their religious principles; it was contrary to the Constitution; it was contrary to that sound policy which ought to direct the House in establishing the militia.

Mr. JACKSON said, he certainly should oppose the principle started by the gentleman last up. Who are to know, he asked, what persons were really conscientiously scrupulous? There is no tribunal erected to make them swear to their scruples. If the principle were adopted, he conceived very few would be found, if their own word was to be taken, not conscientiously scrupulous. There were other sects, he said, besides the Quakers averse to bearing arms. If the principle be adopted of requiring no compensation from the exempted, it will lay the axe to the root of the militia, and, in his opinion, the bill might as well be postponed altogether. He did not choose to enter into the subject fully at this time; he would wait until the bill came before the House.

The seventeenth section, providing inspectors of the militia, was read.

Mr. SENEY said, Maryland, he thought, should have two inspectors instead of one, as provided by the section. That State, he observed, was divided by a wide and sometimes dangerous bay, which could not at all times be crossed. Two inspectors were agreed to for Maryland, one to reside on the Eastern, and one on the Western shore.

Mr. LAWRENCE saw an impropriety in providing the same allowance for all the inspectors without regard to the quantum of duty to be performed. The duty, he observed, of an inspector in the State of Rhode Island could not be near so great as that of the inspector in the State of New York. He moved that their different salaries be fixed and specified in the bill.

It was agreed; and the blanks left to be filled up with such sums as shall be deemed proper when the House shall take that part of the bill into consideration.

Mr. SHERMAN was of opinion that some of the duties, by this section to devolve on inspectors, ought to be left to the States to exercise. Their duty should be confined to superintending the exercise and manœuvres.

Mr. BLOODWORTH was averse to appointing an officer to be directed by State laws. He should be appointed by the State.

Mr. WADSWORTH said, in his opinion, he ought to be a Continental officer, and conduct

himself in his office in conformity to the laws passed by the States.

Mr. SMITH moved that that clause which leaves the appointment of this officer to the President be struck out, and that it only be specified that such an officer be appointed.

Mr. BOUDINOT considered this officer as appointed to assist the President. It was necessary that the commander-in-chief should be acquainted with the state of the militia throughout the Continent; it was impossible for him to gather this information without assistance; the officer was appointed for that purpose; he should be considered as a Continental officer, and as such was to be paid by the General Government.

Mr. SMITH said, if his motion prevailed of having this officer appointed by the States he would also move that his salary be paid by them. He was a militia officer and as such was in the appointment of the States.

Mr. LAWRENCE wished the clause struck out, and the duty of inspector left to be performed by the adjutant general. In New York this is the case.

Mr. BOUDINOT said, he thought the duty too great, and the salary such an officer would require more than the States would consent to give; the officer would not be appointed, and the President could not receive the necessary information. The inspector was not a militia officer, but appointed to collect the information the President should want, for the benefit of the Union.

Mr. FITZSIMONS gave it as his opinion that the officer should be under the appointment of the President.

Mr. SHERMAN said, there appeared to be a distrust of this inspector, unless appointed by the President; he thought there could be no just foundation for entertaining this opinion, if he should be appointed by the States. He was certainly appointed for the good of the Union; but if the several States did not pay his salary, the expense would in the end devolve on the United States.

It was agreed to leave the appointment to the States.

Mr. STONE moved that the clause giving to inspectors the rank of lieutenant colonel be struck out. He observed, that since the appointment of those officers was left to the States, the House could not with propriety fix the rank.

Mr. WADSWORTH hoped it would not be struck out. He observed, that as the House had the power of organizing the militia, and were about determining that there should be inspectors, they could with the same propriety say what rank those inspectors should hold. He was as much averse as any man to granting unnecessary titles; but where great trust was reposed, and severe duty required, there rank should also follow. These inspectors were placed in a very important station, which they could not properly fill without the weight of some military rank.

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Mr. STONE withdrew his motion.

Mr. BLOODWORTH moved that the rank of brigadier should be given to them.—Agreed.

Mr. BENSON moved for an additional clause to the bill, for granting to the President of the United States the power of calling out the militia into the service of the United States, &c. to repel invasions or suppress insurrections.

Mr. SHERMAN observed that the proposed clause was not explicit enough. The General Government, by the Constitution, had not the power of calling out the militia to suppress insurrections in the States without the special request of the States.

Mr. BLOODWORTH hoped the additional section would not be adopted, it would be a dangerous provision.

Mr. BENSON agreed to withdraw his motion for the present, to bring it before the House when the principles of the bill came to be discussed by them.

The committee, having gone through the bill, rose, and reported the same, with sundry amendments, which were laid on the table.

#### PUBLIC DEBT.

The Speaker laid before the House a report from the commissioners appointed for the purpose, of the amount of the purchases which had been made of the public debt, which was ordered to lie on the table. The amount purchased was \$278,687, for which the sum of \$159,239 in specie had been paid.

WEDNESDAY, December 22.

#### ENROLLED BILLS.

A joint committee was appointed for the examination of enrolled bills, consisting of Mr. FOSTER, of the Senate, and Messrs. FLOYD and P. MUHLENBERG, of the House.

#### MILITIA.

The House took up the report of the Committee of the whole of yesterday on the bill for establishing a uniform militia. The amendments being read,

Mr. BOUDINOT moved, that the persons of the militia should be exempt from civil process on the days of rendezvous.

Mr. LIVERMORE opposed the motion. He conceived it was an unconstitutional interference with the internal police of the individual States. The States have an exclusive right, said he, to regulate the times of training the militia; and Congress has no right to say that the citizens shall or shall not be liable to a legal arrest on such occasions.

Mr. BOUDINOT admitted, that there was some weight in Mr. LIVERMORE's objections; but, at the same time, observed, that the principle once admitted that Congress has a power to discipline the militia, every incidental power to carry that idea into effect must follow. He should, however, reserve himself to offer some further remarks on the subject.

The question being taken, it passed in the affirmative. The amendment, as thus amended, was put and carried.

Mr. BLOODWORTH proposed an amendment to the second section, by which all persons exempted by the laws of the respective States should also be exempted by this law. This was objected to by several members.

Mr. LIVERMORE said, it was so general; that it opened the door to an almost universal exemption; it likewise involved an uncertainty with respect to the present and future laws of the several States, which ought not, in his opinion, to be admitted.

Mr. BLOODWORTH said, he moved the amendment, because he was fully persuaded that the United States had nothing to do with the exemptions heretofore usually made by the particular States. It is proper for Congress only to exempt their own particular officers; but he considered the bill of a very important nature, one that will undergo the strictest scrutiny, and may either be made very agreeable to the States, or very much the reverse. He adverted to the Constitution, and said that the powers of Congress only extend to the mere arrangement of the militia; but, in its present form, it is a Government bill, and goes to the minutiae of the regulations in the militia.

Mr. GILES objected to the motion. He considered the section, as it stood without the amendment, useless, and therefore the amendment is unnecessary; for if the States possess the power of making the exemptions in themselves they cannot be deprived of it. He was consequently against the present motion, and should move to obliterate the whole, so far as it interferes with the power of the particular States.

Mr. SHERMAN was opposed to the particular interference of the General Government any further than they are expressly warranted by the Constitution. The powers of Congress, he contended, were very much limited in respect to the militia. He moved a more general modification of the section; by which the officers of the General Government, such as the members of Congress, the Executive officers, post-officers, postmasters, and mail-carriers should be designated, and all other persons that are, or shall be, exempted by the laws of the several States.

Mr. BLOODWORTH acceded to this modification.

Mr. GILES objected to the proposition as amended, as blending and confusing the powers of the General Government with those of the particular States. He objected to it as it went to extend the privileges of the members of Congress, whose privileges are defined in the Constitution. He objected to it also as it violates the principle which had before been laid down, that the lawmakers ought to sympathize with those on whom the laws are designed to operate, and pursuing the idea, said Congress may go on to exempt themselves from every public duty.

Mr. WILLIAMSON, adverting to the Constitution said, that it was plain Congress are to provide for arming and disciplining the militia;

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but who are the militia? Such men, he presumed, as are declared so to be by the laws of the particular States, and on this principle he was led to suppose that the militia ought to consist of the whole body of citizens without exception. If this construction be just, the propriety of the motion is apparent. He did not anticipate an abuse of the power of exemption on the part of the States; he thought the period far distant when the United States would trust their defence to mercenaries. He objected to the numerous exemptions proposed to be made by the General Government, and observed that he feared great impositions and evasions would be practised in consequence of them; the power will be exercised by the States, and ought not to be by Congress.

Mr. BURKE said, no man was more in favor of an efficient and competent militia than he was; but the various exemptions contended for are so many that he conceived the consequences would be subversive of the whole plan. Observations had been thrown out which he was sorry to hear, that except these exemptions took place, the bill would be lost. He then mentioned the several classes proposed to be exempted, by which the whole country would, in effect, be divided into two tribes; and the rich, the governors and rulers of the land would be relieved from the burthen, while the mechanics, the farmers, the laborers, the hard-working part of the community would be made to sustain the whole weight of the service in defending the country. He was opposed to exempting members of Congress; in the recess they may attend militia duty. It was agreeable to the practice of South Carolina; he had himself performed militia duty during the recess. He thought that all should equally be made to turn out in the ranks, high and low, rich and poor, old and young, and thus make the militia honorable. I know, said he, it is the policy of the day to make the militia odious; but I hope such policy will not be adopted by this House. He was not, however, opposed to all exemptions; he would exempt the people called Quakers, and all persons religiously scrupulous of bearing arms, stage-drivers, and instructors of youth; but their pupils, the students in colleges and seminaries of learning, should not be exempt; youth is the proper time to acquire military knowledge. He hoped that the House would not make two distinct tribes or classes of people. There ought to be no such distinctions in a free country.

Mr. JACKSON said, he was sorry that his honorable friend was so determined to have two tribes of people; but he set out with that resolution, and now concludes with the same idea. He then adverted to the exemption of Quakers, provided for in the bill. He said, that the operation of this privilege would be to make the whole community turn Quakers; and in this way it would establish the religion of that denomination more effectually than any positive law could any persuasion whatever. He en-

larged on the obligations which every man owes to society to afford his personal services to assist and defend the community; protection and service are reciprocal. Those who are exempted ought to pay a full equivalent on every principle of justice and equity. He then adverted to exemptions generally, and advocated those of the members of Congress; but, with respect to all others, he was absolutely opposed to them; and said they were so numerous as to destroy the militia bill altogether. The consequence would be, we must resort to a standing force for the general defence.

Mr. VINING was opposed to giving the general power of making such exemptions as they please to the several States. The Legislature of the Union is competent to making such as are necessary. He enlarged on the mischievous consequences of delegating this power. It will, said he, destroy every appearance of uniformity; nor is there any danger that the members of the House will abuse this power by undue exemptions. With respect to the Quakers, he replied to some observations of Mr. JACKSON, who had asked, what will become of our boasted independence in case of the exemption of the Quakers? He asked, were there no Quakers in the late war? He adverted to the conduct of the first settlers of Pennsylvania, who were Quakers; their peaceful principles were productive of the happiest consequences; and in this view their conduct had been an example, which, in proportion as mankind shall recede from the force of turbulent passions, will be more and more imitated. He, however, supposed that an equivalent might be assessed on these people without difficulty; and which, from their numbers, supposed to be one-twentieth part of the people, would amount to a sum sufficient to support a militia; at least, to furnish them with arms, drums, colors, &c.

Mr. LAWRENCE observed, that it appeared to him that the object of the motion is to revive a subject which has already been decided in the committee; he had not, however, altered his opinion, he still thought it would be impolitic, if not dangerous, to delegate a power which they can exercise themselves.

He adverted to the observations of Mr. GILES, that Congress cannot extend their privileges; and observed that the clause in the Constitution refers to the privileges of being exempt from arrest, that they might not be precluded from attending their duty in Congress; with respect to its being an extension of their privileges to provide for their exemption, there cannot be any force in this, as it is conceded that Congress may designate the age of the militia; now if their ages are restricted from eighteen to forty-five, it effectually exempts many of the members of Congress; but this exemption from arrest is not the only privilege that members of Congress possess; and he had no doubt of their right in the present case to exempt themselves; the expediency of the measure is sanctioned by the practice of every State in the Union.

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*Militia.*

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Mr. BOUNDINOT asked what is the object of the bill? It is to provide an uniform militia, competent to the defence of the country; it is not to take money out of the pockets of the people. He then adverted to the idea that was maintained by several gentlemen, that the militia ought to consist of every person in the United States, and said that this, so far from conducing to the formation of a national defence; would prove the reverse; for it would necessarily include persons religiously scrupulous of bearing arms, men in years not able to bear them, and a great variety of characters not suitable to bear them.

With respect to exemptions, he contended, that the right of Congress to make them is already conceded; for it is already agreed that the militia shall consist of persons of particular ages, consequently all under eighteen and above forty-five are expressly exempted; the reverse of this principle will give the States the absolute control of the General Government. He then observed, that the amendment ought not to be adopted; because it would be throwing a burthen on others which Congress ought to bear themselves; because it will destroy every idea of uniformity; because it invests a power in the States to impose fines and penalties which may operate oppressively on many descriptions of persons; because it invests the States with a power to make partial exemptions, create invidious distinctions, and excite unwarrantable competitions among different classes and professions. He then adverted to the Quakers, and asked, what would become of our independence, if one thousand troops were to attack us, and we had an army of ten thousand Quakers to oppose them; what dependence can be had on men who are forced into the field? He had trusted that the rights of men were so well defined at this enlightened period, that the principles which had been advanced would not have been applied on this occasion. He entered into a defence of the exemptions generally provided for, and justified them on principles of justice and policy. He was sorry that the distinctions mentioned by the gentleman from South Carolina had been brought forward. He had no idea of different tribes or classes. The members of this House at the end of every two years revert to the mass of the people, and then become liable to bear their proportion of militia duty as well as their fellow-citizens.

Mr. MADISON moved to insert among the exemptions, persons conscientiously scrupulous of bearing arms. It is the glory of our country, said he, that a more sacred regard to the rights of mankind is preserved than has heretofore been known. The Quakers merit some attention on this delicate point, liberty of conscience. When they had it in their power to establish their religion by law they did not. He was disposed to make the exemption gratuitous, but supposed it impracticable. He replied to Mr. JACKSON'S observations, that exempting such persons would induce the people generally to

turn Quakers. He did not believe that the citizens of the United States would hypocritically renounce their principles, their conscience, and their God, for the sake of enjoying the exemption.

Mr. SHERMAN seconded this motion. He said that persons conscientiously scrupulous of bearing arms could not be compelled to do it; for such persons will rather suffer death than commit moral evil; they may be punished, it is true, by fines and penalties, but whether this would be eligible or not remains to be determined. We, however, have the sense of these people on the subject. He suggested whether some expedient cannot be devised to operate as an indemnity, by excusing part of the militia from a poll tax, so as to equalize the exemption, if made gratuitous.

Mr. LIVERMORE said he disliked the whole amendment. He also disliked the bill on several accounts, more particularly as it interfered too much with the regulations of the several States. The present proposition, he thought, would come in more properly in the second section.

Mr. JACKSON said, he was glad that the motion of the gentleman from Virginia had been brought forward; it might serve to ascertain the sentiment of the House on this important subject. He observed that, in his opinion, the gentleman had not argued with his usual ingenuity and knowledge of the human heart, in respect to the exemptions proposed in favor of the Quakers. It is too evident that mankind stand in greater dread of present evil than of future punishment. The influence of conscience is a weak defence against the powerful temptations of pecuniary advantages; and as he had been informed since he came to this city that one Quaker will convert ten men to Quakerism before ten of a different persuasion will convert one Quaker. With the assistance of this law the converts will be ten times as numerous. He conceived that the natural operation of it would be to destroy the whole militia bill. He insisted on their being liable to a penalty in lieu of personal service, and enlarged on the reasonableness of paying their proportion to the general defence. He replied to Mr. BOUNDINOT'S query respecting ten thousand Quakers; they would all run away, said he, and one thousand men in this case would subjugate the country.

Mr. GILES observed, that he was opposed to the exemption of the Quakers, and gave his reasons; protection and personal services result from society; they are due from every individual, and it is a violation of moral duty to withhold this personal service. He was in favor of exempting every man from doing that which his general conduct evinced was contrary to his conscience; but it cannot be said that it is against the conscience of a Quaker to hold and possess property; therefore every man who receives the protection of the laws ought to contribute his proportion to the



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*Militia.*

[H. OF R.]

support of the laws. He then entered more fully into a consideration of the subject, and objected to the exemption, as creating an unwarrantable distinction between citizens; throwing a burthen on the majority to relieve the minority; giving the minority privileges for shrinking from their duty. What criterion is there, he asked, to determine whether a man is under the impression of conscience? and concluded by saying, a fine can only determine the existence of this principle.

Mr. VINING was in favor of the exemption, but did not think it would be satisfactory to the people without qualifying it with an equivalent. Quakers, said he, are easily distinguished; every body knows them.

Mr. SMITH, of South Carolina.—This debate seems to be detailed, when gentlemen appear to think very much alike upon the subject. The question is, how the fine or penalty shall be assessed; though some appear disposed to exempt those people not only from personal service but from all commutation. It then seems necessary that the question should be first determined whether an equivalent shall be paid or not. According to the sentiments of some gentlemen, it is proposed to go further than even this State has gone, in which the greatest number of these persons exist; for when in convention, the question was taken for striking out the penalty, only seven or eight members rose in favor of it. But he thought this proposition improperly added to the first amendment, and wished it might be withdrawn till the question whether the exemptions should be made by the States or by the General Government is determined.

Mr. MADISON replied to Mr. SMITH. He said that he conceived his motion a proper amendment at this place, as the gentleman from Connecticut only moved that the exemptions made by the several States should be sanctioned by the General Government; but it is conceded that this exemption is not made by the several States, and therefore ought to be here specified. He said he should acquiesce in an equivalent, though he would prefer a gratuitous exemption.

The House adjourned before the debate was brought to a close.

#### THURSDAY, December 23.

THEODORE SEDGWICK, from Massachusetts, appeared, and took his seat.

The following message was received from the President of the United States:

UNITED STATES, December 23, 1790.

Gentlemen of the Senate

and House of Representatives:

It appearing, by the Report of the Secretary of the Government Northwest of the Ohio, that there are certain cases respecting grants of land within that territory which require the interference of the Legislature of the United States, I have directed a copy of said Report, and the papers therein referred to, to

be laid before you; together with a copy of the Report of the Secretary of State upon the same subject.  
GEO. WASHINGTON.

The report and papers referred to in the said message were read, and ordered to be sent to the Senate for their information.

The House resumed the consideration of the amendments agreed to by the Committee of the whole to the bill for establishing a uniform militia throughout the United States.

The subject of exemptions being under consideration,

Mr. MADISON withdrew for the present his proposition in favor of persons religiously scrupulous of bearing arms. The question then was, whether the power of exempting should be exclusively vested in Congress, or be exercised partly by the several States.

The question being called for,

Mr. STONE moved that it should be divided, and the question for striking out the words, "except as hereinafter excepted," in order to admit the proposed amendment being put, was negatived; the substitute was superseded of course.

Mr. MOORE proposed as an amendment to the first section, to add these words, "or with a good rifle, a shot bag, &c." which was agreed to.

The amendments to the second session being read, the debate on exemptions was renewed. The amendment by which the particular States are empowered to exempt from militia duty the Legislative, Executive, and Judicial officers of the respective States was agreed to by a great majority.

Mr. MADISON then renewed his proposition in favor of persons religiously scrupulous of bearing arms, in a different form from that before offered, and to the following effect:

"That all persons religiously scrupulous of bearing arms, who shall make a declaration of the same before a civil magistrate, shall be excused from performing militia duty; but be liable to a penalty of \_\_\_\_\_ dollars, to be appropriated as the moneys arising from the post-office are appropriated."

After some debate, Mr. MADISON proposed that it should lie on the table for further consideration.

#### FRIDAY, December 24.

MESSRS. FITZSIMONS, FOSTER, and SYLVESTER, were appointed a committee to prepare a bill to ascertain how far owners of ships and vessels shall be liable to the freighters of goods on board thereof.

#### MILITIA.

The House resumed the consideration of the report of the Committee of the whole on the bill for establishing a uniform militia, Mr. MADISON's proposition in favor of persons conscientiously scrupulous of bearing arms being under consideration. A majority of the speakers appeared to be in favor of exemptions being left to the several States. In support of this opinion,

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Mr. BOURN observed, that if the General Government should take up the matter, and subject the Quakers to a penalty as an equivalent for personal service, their situation would be rendered less eligible than it is at present—for, in several of the States, they are not only exempted from militia duty, but from all fines and penalties in lieu thereof. He instanced the States of New Hampshire, Massachusetts, Rhode Island, and Connecticut.

Another memorial from the society of Quakers on the Eastern shore of Maryland, against the sixteenth section of the bill, was presented by Mr. SMITH, member from that State, and read.

A motion of Mr. CLYMER, to amend the motion of Mr. MADISON, after some discussion, was negatived; and the original motion being also put, was disagreed to; so that, as the bill now stands, the exemption of persons religiously scrupulous of bearing arms is to be provided for by the respective States.

Mr. SMITH (S. C.) then renewed his proposition respecting independent companies, which, he informed the House, he had so modified as to avoid the objections before offered to it. It is to the following effect:

Whereas certain independent corps of artillery, infantry, and dragoons, now exist in the several States—it is hereby enacted, that nothing in this act shall be construed to the disbanding or incorporating said companies in the militia; they, at the same time, being liable to the performance of the military duties herein required.

It being understood that the bill should be re-committed to a select committee, it was voted that this proposition be referred, with the bill.

On motion of Mr. LIVERMORE, the ninth section of the bill was expunged. A motion by the same gentleman, to strike out the tenth and eleventh sections, was negatived.

It was then moved that the bill be re-committed; which being put, passed in the affirmative. Messrs. WADSWORTH, GILES, and TUCKER, were appointed the committee.

MONDAY, December 27.

Mr. BURKE's motion respecting a bill for altering the time of the meeting of Congress was taken into consideration, and negatived.

Mr. FITZSIMONS, from the committee appointed for that purpose, reported a bill to ascertain how far the owners of ships or vessels shall be liable to the freighters. Read a first and second time, and committed.

#### PUBLIC CREDIT.

The House resolved itself into a Committee of the whole on the Report of the Secretary of the Treasury, on a further provision for the establishment of the public credit; Mr. LIVERMORE in the chair.

The committee agreed to the following resolutions:

That an additional duty of eight cents per gallon

be laid and collected upon all distilled spirits of common proof; and in like proportion for all other distilled spirits which shall, after the — day of —, be imported into the United States.

Also, that from and after the — day of — next, a duty of eleven cents per gallon be imposed upon all spirits of the first class of proof, distilled within the United States, from sugar, molasses, or other foreign materials; also, a duty, in like proportion, on all other classes of proof.

Also, a duty of nine cents upon all spirits of the first class of proof, distilled within any city, town, or village, within the United States, from materials of the growth or production of the United States; also a duty in like proportion on all other classes of proof.

That for each still employed in distilling spirits in any other place than a city, town, or village, there to be collected and paid, a yearly sum of — cents for every gallon, English wine-measure, of the capacity of each still, including its head.

After which the committee rose, and the Chairman reported the resolutions, which were read and agreed to by the House; and a committee of five members was appointed to prepare and bring in a bill agreeable to said resolutions. The committee appointed are Messrs. SEDGWICK, TRUMBULL, LAWRENCE, WYNKOOP, and SMITH, Maryland.

The Committee of the whole was then discharged from further consideration of said report.

Mr. FITZSIMONS moved, that a committee be appointed to bring in a bill on the other parts of the report, for altering the mode of collecting the duty on wines and teas, and to allow a longer time for collecting the same. This motion was referred to the foregoing committee.

#### PUBLIC LANDS.

The House then went into Committee of the whole on the state of the Union, Mr. LIVERMORE in the chair. The report of the Secretary of the Treasury on the establishment of land offices for the disposal of the vacant lands belonging to the United States was taken up, when

Mr. BOUDINOT offered the following resolution:

*Resolved*, That it is the sense of the committee that a Land office be established at the seat of the General Government, under the direction of — Commissioners.

Mr. SCOTT wished the House to take a general view of the business before they went into the particulars of the Secretary's report. Upon the whole, he was pleased with the plan drawn up by that officer; one part, however, he objected to—that part of the report which provided for the distribution of the land. He did not approve of setting apart tracts for particular descriptions of purchasers. As an amendment, he offered seven propositions, which he wished, for the present, to lie on the table, and which he proposed to offer as substitutes to different parts of the Secretary's report, as they came before the House. His principal object was to

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let the tracts which Congress proposed to sell, be indiscriminately located.

Mr. BOUDINOT thought the committee could not then enter into the minutiae of the business. It was enough to fix the general principles, viz: Whether there shall be a General Land-officer and two subordinates? Whether they shall be under the direction of Commissioners? And whether certain tracts of land should be reserved by Congress for certain purposes? And then to appoint a committee to bring in a bill on those principles, and to take into consideration the minutiae of the business. Great changes, he observed, had taken place since the report was drawn up. The committee might consider what should be the greatest quantity fixed as a limit to the sales made by the General office, and what for the subordinate.

Mr. SHERMAN offered a resolution, that there be a General Land-office established.—Agreed.

Mr. BOUDINOT.—That there be two subordinate offices, one in the Government to the north-west, the other south of the Ohio.—Agreed.

Mr. BOUDINOT moved, that all sales made at the General Land-office shall be above ——— acres; then all below that quantity would be made at the subordinate offices. It should also be determined whether Congress would fix the quantity, or leave it to the commissioners. It appeared to him a matter of importance.

Mr. SCOTT moved that the blank be filled with one thousand.

Mr. WHITE moved five thousand.

Mr. BOUDINOT thought the number of acres too large. Persons who wished to purchase so large a tract could afford, and would have no objection, to come to the seat of Government to make the purchase.

Mr. SEDGWICK observed, that it would be a great advantage to have the contract for large purchases made under the immediate eye of Government. The House, however, he thought, was not prepared to fill up the blank; he wished it left open.

The motions for filling the blanks were withdrawn.

Mr. BOUDINOT proposed that all smaller quantities be sold at the subordinate offices, to prevent the confusion that selling the same quantity at the different offices might occasion.—Agreed.

Mr. SMITH (S. C.) wished it determined under whose directions these offices should be; whether of one or three Commissioners, or of any officer already appointed. He thought one officer would be most eligible; there would be more responsibility and uniformity.

Mr. SHERMAN wished the determination of this particular delayed. His mind was not made up. The motion was delayed.

Mr. BOUDINOT proposed that no lands shall be sold previous to settling the Indian claims.—Agreed.

That part of the report was read, which sets apart certain lots for certain particular purposes, and directs the manner of locating them.

Mr. SCOTT moved as a substitute, his second proposition, that such districts as shall be set apart for sale, shall include the actual settlements, and be left to be indiscriminately located. He said it was improper to set aside different tracts for different modes of location—some in large tracts, others in small lots. He conceived it would be the interest of Government to let every one purchase where he pleased, and as much or as little as he chose. From experience, he knew that those parts were always settled with the most celerity that were not bound down to any of those restrictions. For his part, he could see no good argument in favor of them. He wished some of the gentlemen who approved of this mode would give him some reasons for preferring it. There could be no fear of individual settlers scattering and losing themselves in the back woods; there was a sufficient check to prevent it—the Indians would keep them compact much more effectually than any regulations Congress could make. If, after granting certain scattered tracts to individual settlers, a considerable tract, including these, was wanted, he could see no inconvenience in granting it, reserving to the former settlers their rights.

Mr. WILLIAMSON rose to give the gentleman last up one reason for opposing indiscriminate location. Hitherto, he owned, much mischief had not arisen from this mode of settlement; but now there were persons rich in securities and cash, ready to take up considerable quantities of land, which, if they were permitted to select here and there, would select every choice tract they could; and those who might not have the same means of purchasing immediately at command, could only obtain the indifferent parcels. Many, he knew, had it in contemplation to do this, if the opportunity offered. He instanced North Carolina as an example of the injurious tendency of this liberty; where many tracts are unsaleable owing to this circumstance. If these tracts were to be purchased by actual settlers, the case would be different; they would only be taken up by persons under the name of actual settlers. Such a practice would be an impediment to such companies of Europeans as might wish to settle among us.

Mr. SCOTT said, he expected the gentleman would have offered more solid objections to his plan, and more forcible arguments in favor of the other. Though the first settlers had the choice of the land, yet he conceived the remaining part would acquire a considerable additional value from the surrounding settlements. As for the European companies who might be tempted to settle among us, he did not contemplate it as an object so desirable. A body of French people settling in that way would preserve their language and manners two thousand years perhaps. This would not be for the true interest of the country; all its inhabitants should, by mutual intercourse, become assimilated, and no name be known but that of Americans.

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Land Offices.

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Mr. BOUDINOT was against indiscriminate location. He had seen the bad effects of it in the State from which he came. Persons had bought up the low lands, and sold them again to such as absolutely needed a water lot to their farm, at enormous prices. He mentioned another objection to the plan—the tendency it had to create law-suits. He said more money had been spent at law, in disputes arising from that mode of settlement, in New Jersey, than would have been necessary to purchase all the land of the State. The late Congress, he was informed, had adopted a method to obviate the inconveniences of the former mode—the lands were laid out into a mile square; these were divided into four equal squares, and in that form sold.

Mr. WHITE proposed that such as shall not improve their purchases within a fixed reasonable time, should forfeit the same.

Mr. BOUDINOT wished it left to a committee to determine. He had no objection to leave the power with the Commissioners.

Mr. SCOTT approved of the idea thrown out by Mr. WHITE, and agreed to amend the proposition in conformity with the opinions of Messrs. BOUDINOT and WHITE.

Mr. BOUDINOT conceived it would be very difficult to determine what an actual settler was. A purchaser would go and spend a few days on his land, and call himself an actual settler.

Mr. WHITE proposed, that a man holding only a certain proportion of uncultivated land to the improved, should be called an actual settler.

Mr. SEDGWICK disliked indiscriminate location. He was confident that if the districts so to be settled were extensive, there would be too great room for speculation and monopoly.

Mr. SCOTT said, there were tracts of land which it is impossible to sell, even by offering good parcels with them. Between Philadelphia and his home there were spots which were only intended by nature for the birds and beasts—that could be of no value for cultivation. He could not see much probability that the best land would be picked out. The difficulty of exploring a wild and uncultivated desert opposed a considerable barrier to such attempts.

Mr. SCOTT's amendment was lost.

Mr. FITZSIMONS moved to strike out from the clause the limitation of one hundred acres to each settler.

Mr. SCOTT disliked the limitation. He wished it amended, so as to leave it to Congress to fix the limitation by act.—Agreed.

To the next paragraph, in the following words,

“The other tracts shall, from time to time, be set apart for sales in townships of ten miles square, except where they shall adjoin upon a boundary of some prior grant, or of a tract so set apart; in which cases there shall be no greater departure from such form of location, than may be absolutely necessary.”

Mr. SCOTT moved an amendment, that the seven ranges which, in laying off, Congress had

already gone to a considerable expense, be fixed on for sale, instead of the tracts proposed to be set apart by that article.

Mr. SHERMAN was against the motion. He said it would be confining the settlers to too narrow bounds in making their choice.

Mr. CLYMER wished to know how much land these seven ranges included.

Mr. SCOTT said he could not give the exact information.

The committee rose, and reported progress.

#### PORT OF PHILADELPHIA.

MESSRS. FITZSIMONS, WHITE, and BOURN, were appointed a committee to prepare a bill to enable the Collector of the district of Pennsylvania to permit the landing of goods at other places within his district than the Port of Philadelphia, when the river Delaware shall be obstructed by ice.

TUESDAY, December 28.

#### PUBLIC CREDITORS.

A memorial and remonstrance of the public creditors in New Jersey were presented, complaining of the insufficiency of the provision made for the public creditors by the act of last session.—Referred.

#### EVIDENCES OF DEBT.

Mr. LEE, from the committee appointed for the purpose, reported a bill directing the mode in which evidences of the debt of the United States which may be lost or destroyed, shall be renewed; which was twice read and committed.

#### RIVER DELAWARE.

Mr. FITZSIMONS reported a bill to provide for the delivery of goods in cases of obstructions in the river Delaware by ice, which was twice read and committed.

#### LAND OFFICES.

The House then went again into a Committee of the whole on the state of the Union, Mr. BOUDINOT in the chair. The report of the Secretary of the Treasury on the subject of a Land office being under consideration,

Mr. SCOTT said, he was ready to give some information relative to the extent of the seven ranges. He produced a map of them, from which it appeared that they included thirty-five lots, each six miles square. The tract is in the shape of a triangle, of which one leg measured about sixty, and the other forty-two—in all, about twelve hundred square miles. His amendment was agreed to.

The next article was agreed to, with a trifling amendment, without debate.

Then the following was read:

“That the price shall be thirty cents per acre, to be paid either in gold or silver, or public securities, computing those which shall bear an immediate interest of six per cent. as at par with gold and silver, and those which shall bear a future or less interest, if any there be, at a proportional value.”

Mr. SCOTT moved that thirty cents should be struck out.

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Mr. SHERMAN was in favor of inserting fifty cents per acre. He said there was every reasonable probability the lands would be worth that sum in a few years.

Mr. LAWRENCE said, that as the quality of the land would vary, it appeared proper to fix on two prices at which they should be sold, viz: That the price shall not be more than —, nor less than —. He submitted the idea to the consideration of the committee.

Mr. SEDGWICK preferred the insertion of a sum below which the lands should not be sold.

Mr. WILLIAMSON suggested the propriety of making a difference in the price to those who purchase large quantities, from the price to those who purchase small quantities.

The motion for striking out was lost.

Mr. SEDGWICK then moved to amend the clause, by inserting "that the price per acre shall not be less than thirty cents."

Mr. STONE objected to the motion. He said the operation of it would be to leave it discretionary with the Surveyors to fix the price of the various tracts. This would be to constitute a tribunal in a measure independent of the Government. He thought the policy of the Government should be to fix on a price, which shall be so reasonable, that persons may feel every inducement to pay it before they take up the lands; for it has been found by experience, that when once a tract of distant country is taken possession of, you never can get any thing more than the settlers are willing to pay. He insisted that it was impracticable to fix the relative value of unlocated lands—it had been repeatedly tried without effect. He asked if any of the States had ever established various rates for their lands? He knew of none.

Mr. SEDGWICK answered the inquiry respecting the relative value of lands being ascertained in the several States. He said, that so far as his information extended, which respected only the States of New York, New Hampshire, and Massachusetts, this had invariably been the case. Every man knows there is a most essential difference in the value of lands. Those on navigable rivers may be ten times as valuable as those on the top of a mountain. This every individual is so sensible of, that a difference in the price is constantly made. And why the Government should not make a difference, it is impossible to say; any man, by casting his eye upon a map, can at once determine that some part of the land is unspeakably more valuable than other parts. He was certain that vesting a discretionary power, in the disposal of the land, would be productive of the greatest advantage to the United States, and on this principle he could not conceive why the Surveyors should not determine the relative quality, that the United States may stand some chance of getting the value of this property.

Mr. LIVERMORE was in favor of Mr. SEDGWICK's motion, and enlarged on the unreasonableness of fixing a particular price.

Mr. JACKSON was opposed to investing a dis-

cretionary power to determine the price with any persons whatsoever. It had been productive of mischievous consequences in the State of Georgia. He was for fixing a price, and the highest price—the best the lands would bear; when that is sold, if the residue will not bear the price established, it can then be reduced.

Mr. SCOTT objected to the motion. He stated several difficulties; the principle was, that foreigners would be deterred from adventuring, owing to the uncertainty in the price; for when they arrive in the country to settle, they must purchase, and they will then lie at the mercy of speculators.

Mr. LAWRENCE.—The people have great dependence on the Western territory as a fund to extinguish their debt; it therefore becomes the duty of the Government to obtain the best price they can for it. The question is, whether we shall fix a price, or adopt the plan proposed by the gentleman from Massachusetts. He was in favor of the latter, and said he doubted not it would be easy to make a discrimination in the relative qualities of the lands. This difference in price may render it worth while for the Commissioners to have the land of a particular district explored. He replied to the objection from the want of integrity in the Surveyors. Admitting the full force of the objection, it was probable that the United States would gain by it; at any rate, it would not lose; and it was probable that, to avoid suspicion, if the Surveyors should be interested in the tract surveyed, they would give more than thirty cents. With respect to foreigners, after they arrive in the country, they then will be on the same footing with our own citizens. He adverted to the mode which had been adopted by New York—they had sold lands in every way, at a certain price, at auction, and are now selling them at the discretion of Commissioners, at a rate not below a certain sum.

Mr. STONE objected to the mode of leaving the price unfixed, as it would involve a complex system, subjecting the purchasers to great inconvenience, perplexity, and uncertainty. He reprobated the system adopted by New York, and asked the gentleman (Mr. LAWRENCE) whether New York had not been subjected to great loss and vexation in consequence of the plan they had pursued? He wished the system of New York should be fully understood, in order that the United States may avoid it. He concluded by saying, that he was in favor of fixing a price, and supposed that the Western territory, sold at thirty cents per acre, would sink the whole of the national debt.

Mr. LAWRENCE replied to Mr. STONE. He said, that when the State of New York sold their lands at a fixed price, there had been complaints on account of the best tracts being taken up. When they had sold them at auction, the value of the lands had been generally realized in proportion to the quality. With respect to the last mode adopted, the result was not yet known.

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*River Delaware.*

[DEC. 29, 1790.]

Mr. WHITE said, if the gentleman had proposed the amendment to the clause which respects large purchases, he should not have objected to it. He, however, objected to it in the present case; and, in order to show that a fixed price was most eligible for small quantities, he instanced the practice of Lord Fairfax, who had been a great proprietor in Virginia; and also the practice of the first proprietors of Pennsylvania. These sold their lands, good and bad, at one price; their experience for such a length of time, near a century, he thought sufficient to show that mode to be most eligible. He would not object to fixing that condition to special contract.

Mr. SEDGWICK obviated the objection in the first instance, by saying that the officers will be able to determine, with very considerable precision, what will be for the interest of the United States. He said experience had proved that there were no insuperable difficulties in the case.

Mr. MOORE observed, that the actual value of the best lands in that territory was about thirty cents per acre. When all of that description is sold, the next will bring the same price, from whence he inferred, that there could be no difficulty or loss attending fixing the price. He stated some difficulties which would result from adopting the mode proposed.

Mr. SHERMAN observed, that the committee was now only settling principles. The principal objection to the idea of leaving the price discretionary, appeared to rise from the difficulty of carrying it into execution. He endeavored to obviate the difficulties. He said there was undoubtedly a great difference in the value of the lands. He had been informed by a surveyor, that some of these lands are worth a guinea per acre. He doubted not that such information may be obtained by the surveyors, as that a very great saving may be made to the United States.

Mr. BLOODWORTH said, he was in sentiment with the gentleman from Virginia. His experience in the State of North Carolina was entirely in favor of fixing a price.

Mr. SEDGWICK's motion being put, was lost.

Mr. SCOTT then moved, that the clause which makes a discrimination in the securities to be paid for the land, should be struck out. His idea was, that all the securities should be received at their face for the land. He said, this he considered as the only apology the United States could make to their creditors, for not paying them six per cent. on the whole of their demand.

Mr. FRIZZIMONS objected to the motion. He said it would be reducing the price of the land to one-half the sum already agreed to.

Mr. LAWRENCE preferred to Mr. SCOTT's motion, striking out all that relates to public securities, and making gold and silver only a tender for the land.

Mr. SEDGWICK was in favor of the article as in the report. He enlarged on the importance of sinking the public securities, and making provision for extinguishing the deferred stock in a particular manner.

Mr. SCOTT's motion was negatived.

Mr. LAWRENCE then proposed that public securities should be struck out. The gold and silver, said he, received for the land, may be appropriated to sinking the debt, agreeable to the provision already made for appropriating the surplus revenue.

Mr. JACKSON objected to the motion. He observed, that the lands in the Western territory had always been considered as a fund for sinking great part of the public debt of the Union; he wished not to lose sight of this object. Many persons have securities in their possession, who may be disposed to apply them to the purchase of lands. Those persons may not find it convenient to turn their paper into gold and silver, and I see no necessity for this roundabout process—a more simple method is to be preferred. As the gentleman last up had thought proper to allude to the act passed the last session, making provision for the reduction of the public debt, he begged leave to offer a few remarks on that subject. It is true we appropriated a surplus revenue of one million of dollars to be applied to purchasing the public debt, in the market, while at a reduced price; but what is the result? By the report of the Commissioners, it appears that only two hundred thousand dollars of the debt have been bought; the securities have risen, and one description of them is nearly at par. Why the whole sum has not been applied to make purchases when the price was low, I am not able to say; but the benefit to the public derived from the measure is so trifling, that it suggests a sufficient reason to my mind for not agreeing to appropriate any more money in that way.

Mr. LAWRENCE, in answer to Mr. JACKSON, observed, that it is true the sum of one million of surplus revenue was appropriated as a sinking fund the last session; but it was well known that that sum was not then in the Treasury, nor was the whole expected to be realised till towards the close of the year; this would account for the whole amount not being appropriated. With respect to the proceedings of the Commissioners, he was not so fully informed as to give the committee full information on the subject; but doubted not that their transactions would be found to be perfectly conformable to the spirit and meaning of the law under which they acted.

The motion for striking out public securities was lost.

WEDNESDAY, December 29.

DANIEL CARROLL, from Maryland, appeared and took his seat.

RIVER DELAWARE.

Agreeably to the order of the day, the House resolved itself into a Committee of the whole, Mr. BODINOT in the chair, on the bill to provide for the delivery of goods, wares, and merchandise, in the river Delaware, in the State of Pennsylvania, in case of obstruction by ice.



JAN. 3, 1791.]

Sandy Hook.

[H. OF R.]

The committee made sundry amendments, which were reported to the House; the same were read. Other amendments were proposed in the House, which were agreed to, and the bill as amended was ordered to be engrossed for a third reading.

#### MILITIA BILL.

The House proceeded to consider a motion made yesterday by Mr. TUCKER, that the committee appointed to prepare and bring in a militia bill, be instructed to bring in a clause to this effect:

*Be it enacted*, That the militia of the several States of the Union, consisting of such persons as are or may be enrolled by them respectively, shall be organized, armed, and disciplined in the manner following.

And on the question to agree to this motion, the yeas and nays being called for, it passed in the negative.

YEAS.—Messrs: Ashe, Bloodworth, Floyd, Grout, Livermore, Thatcher, Tucker, Williamson.—8.

NAYS.—Messrs: Ames, Baldwin, Benson, Boudinot, Bourne, Brown, Burke, Cadwalader, Carroll, Fitzsimons, Foster, Gerry, Gilman, Goodhue, Griffin, Giles, Hathorn, Heister, Huntington, Lawrence, Lee, Madison, Matthews, Moore, P. Muhlenberg, Parker, Partridge, Van Rensselaer, Scott, Sedgwick, Seney, Sevier, Sherman, Sylvester, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Stone, Sturges, Trumbull, Wadsworth, White, Wynkoop.—43.

The House again resolved itself into a Committee of the whole on the state of the Union, Mr. BOUDINOT in the chair.

The committee proceeded to the further consideration of the report of the Secretary of the Treasury respecting the establishing Land-offices for the disposal of vacant lands belonging to the United States.

Further progress was made, but the committee rose without finishing the discussion.

THURSDAY, December 30.

#### RIVER DELAWARE.

The engrossed bill to provide for the unloading of goods, wares, and merchandise, in case of obstructions by ice, was read a third time and passed.

#### DUTY ON SPIRITS.

Mr. SEDGWICK, from the committee appointed for that purpose, reported a bill repealing, after a certain time, the act heretofore passed, imposing duties on distilled and other spirits imported from abroad, and laying others in their stead; and for altering the mode of collecting said duties, &c. which was read the first and second time, and referred to a Committee of the whole House on Tuesday next.

Mr. CLYMER presented a petition from the College of Physicians in Philadelphia, praying that such heavy duties may be laid on distilled spirits, as shall be effectual to restrain their intemperate use.

#### PRISONERS AT ALGIERS.

A message was received from the President of the United States, communicating a report from the Secretary of State, upon the subject of the prisoners who are in captivity at Algiers.

On motion,

*Ordered*, That the Secretary of the Treasury be directed to report to this House the amount of the exports from the several districts within the United States respectively; also, the amount of duties arising on imports and tonnage from the first of August, 1789, to the thirtieth of September, 1790, and as soon as may be from thence to the end of the year.

#### MEDITERRANEAN TRADE.

The SPEAKER informed the House that he had some communications to make of a private nature, respecting our trade in the Mediterranean. The galleries were ordered to be shut.

FRIDAY, December 31.

John STEELE, from North Carolina, appeared and took his seat.

#### PETITION OF HENRY LAURENS.

The petition of Henry Laurens, of South Carolina, as guardian to his grand-daughter, Frances Eleanor Laurens, the orphan daughter of the late Lieutenant-Colonel John Laurens, was presented, praying for interest on an allowance made by a resolution of the late Congress, for the services of her late father on an embassy to France.—Referred.

#### JUDICIARY.

The SPEAKER laid before the House a letter from the Attorney General, accompanying his report on such matters relative to the administration of justice under the authority of the United States, as may require to be remedied; and, also, such provisions in the respective cases as he deems advisable, made pursuant to an order of this House of the fifth of August last; which were read, and committed to a Committee of the whole House.

#### LAND OFFICES.

The House again resolved itself into a Committee of the whole on the state of the Union, Mr. BOUDINOT in the Chair. The Report of the Secretary of the Treasury on the subject of establishing a land-office being under consideration, the committee finished the discussion of the report; and having agreed to a number of resolutions, rose and reported the same, which were ordered by the House to lie on the table.

MONDAY, January 3, 1791.

#### SANDY HOOK.

A message was received from the President of the United States, with the copy of an act of the Legislature of New Jersey, ceding to the United States the lot of ground at Sandy Hook, on which the light-house is erected.

The House then took into consideration the report of the Committee of the whole, on the

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Public Lands.

[JAN. 4, 1791.]

report of the Secretary of the Treasury relative to the establishment of Land-offices for the sale of lands in the Western territory. The SPEAKER read the report.

The first resolution provides for the establishment of a General Land-office at the seat of Government. The second, for two subordinate Land-offices in the Western territory—one to the south, the other to the northwest of the Ohio. The third, that all sales above — acres shall be negotiated at the General Land-office. Fourth, Indian titles to be extinguished previous to any sale. These resolutions were adopted by the House, without a division. The fifth resolution provides that convenient locations shall be set off for actual settlers. This resolution, on motion of Mr. SCOTT, was struck out. He proposed a substitute, which, after some debate, was disagreed to. The sixth resolution provides, that the seven ranges already laid out shall be surveyed and sold. This was adopted. The seventh, that any quantities within natural boundaries, or lines, or both, may be sold. This was agreed to, with an addition proposed by Mr. BURKE, that for every chain surveyed and sold on the banks of a navigable river, the purchaser shall be obliged to take — chains back. The eighth resolution states, that the price of the land shall be thirty cents per acre, to be paid in gold or silver, or in the public securities, estimating the six per cents at par with specie, and those of an inferior value at a proportionate rate.

Mr. BOUDINOT proposed that this resolution should be altered, so that all the securities should be received in payment for the land, as at par. He stated sundry objections to discrimination between the several denominations of the securities, and urged the justice of making all an equal tender for the land. By this means the United States will do some justice to the public creditors, in respect to the deferred part of the debt; besides, it will conduce more rapidly to sinking the public debt, and expedite the selling of large quantities of the land. He moved an amendment to this purport—this was seconded by Mr. STEELE, and supported by Mr. LEE.

Mr. LIVERMORE was in favor of selling the land for deferred stock and three per cents only.

Mr. FITZSIMONS, Mr. SEDGWICK, Mr. SMITH of South Carolina, and Mr. SENEY, were opposed to Mr. BOUDINOT's motion. They considered it as interfering with the funding system; it would open the doors to speculation, and, in its effects, would be giving a douceur to persons to whom the United States are under no special obligations whatever.

Mr. BOUDINOT's proposition so far obtained, as to alter the resolution, to read that gold and silver, or public securities, (without discrimination,) should be received in payment for the land.

A motion to strike out thirty cents was nega-

TUESDAY, January 4.

UNIFORM MILITIA.

Mr. WADSWORTH, from the committee to whom was recommitted the bill more effectually to provide for the national defence, by establishing a uniform militia throughout the United States, presented an amendatory bill, which was twice read and committed.

TREASURER'S ACCOUNTS.

The SPEAKER laid before the House a statement of the Treasurer's accounts of receipts and expenditures, from the first of July to the thirtieth of September last, which was ordered to lie on the table.

PUBLIC LANDS.

The House again resumed the consideration of the report of the Committee of the whole on the state of the Union, on the report of the Secretary, and agreed to the following resolutions:

*Resolved*, That it is expedient that a General Land-office be established and opened at the seat of Government of the United States.

" That two subordinate Land-offices be established and opened; one in the Government northwest of the Ohio, and the other in the Government south of the Ohio.

" That all contracts for the sale of land above the quantity of — acres, shall be exclusively made at the General Land-office.

" That no land shall be sold, except such in respect to which the titles of the Indian tribes shall have been previously extinguished.

" That the seven ranges already surveyed be sold in lots as laid out.

" That any quantities may be sold by special contract comprehended either within natural boundaries or lines, or both; but no survey shall in any case be made on a river; but in the proportion of — chains back from such river for every chain along the bank thereof.

" That the price shall be thirty cents per acre.

" That warrants for military services be put on the same footing with warrants issuing from the Land-office; and that the exclusive right of locating the same in Districts set apart for the army cease after the — day of —.

" That no credit shall be given for any quantity less than a township of six miles square, nor more than two years' credit for any quantity.

" That in every instance of credit, at least one quarter part of the consideration shall be paid down, and security, other than the land itself, shall be required for the residue. And that no title shall be given for any tract or part of a purchase, beyond the quantity for which the consideration shall be actually paid.

" That the — of each subordinate office shall have the management of all sales, and the issuing of warrants for all locations in the tracts to be set apart for the accommodation of individual settlers, subject to the superintendency of the — of the General Land-office, who may also commit to them the management of any other sales or locations, which it may be found expedient to place under their direction.

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"That preference be given for a limited time to those actual settlers whose titles are not secured by the former Governments of that country and the existing ordinances and acts of Congress.

"That there shall be a Surveyor General, who shall have power to appoint a Deputy Surveyor General in each of the Western Governments, and a competent number of Deputy Surveyors to execute in person all warrants to them directed by the Surveyor General, or the Deputy Surveyor Generals, within certain Districts to be assigned to them respectively. That the Surveyor General shall also have in charge all the duties committed to the Geographer General by the several resolutions of Congress.

"That all warrants issued at the General Land-office shall be signed by — and shall be directed to the Surveyor General. That all warrants issued at a subordinate office shall be signed by — and shall be directed to the Deputy Surveyor General within the Government. That the priority of locations upon warrants shall be determined by the times of the applications to the Deputy Surveyors; and in case of two applications for the same land at one time the priority may be determined by lot.

"That the Treasurer of the United States shall be the receiver of all payments for sales made at the General Land-office, and may also receive deposits of money for purchases intended to be made at the subordinate offices; his receipt or certificate for which shall be received in payment at those offices.

"That the Secretary of each of the Western Governments shall be the receiver of all payments arising from sales at the office of such Government.

"That controversies concerning rights to patents or grants of land shall be determined by the — of that office under whose immediate direction or jurisdiction the location, in respect to which they may arise, shall have been made.

"That the — of the General Land-office, Surveyor General, Deputy Surveyor General, and the — of the Land-office in each of the Western Governments shall not purchase, nor shall others purchase for them in trust, any of the public lands.

"That the Secretaries of the Western Governments shall give security for the faithful execution of their duty as receivers of the Land-office.

"That all patents shall be signed by the President of the United States, and shall be recorded in the office of the Secretary of State.

"That all officers acting under the laws establishing the Land-office shall make oath or affirmation faithfully to discharge their respective duties, previously to their entering upon the execution thereof.

"That all surveys of land shall be at the expense of the purchasers or grantees.

"That the fees shall not exceed certain rates, to be specified in the law, affording equitable compensations for the services of Surveyors, and establishing reasonable and customary charges for patents and other office papers, for the benefit of the United States.

"That the — of the General Land-office shall, as soon as may be, from time to time, cause all the rules and regulations which they may establish to be published in one gazette at least, in each State, and in each of the Western Governments where there is a gazette, for the information of the citizens of the United States."

*Ordered*, That a bill or bills be brought in pursuant to said resolutions, and that Messrs. WHITE, SCOTT, and BLOODWORTH do prepare and bring in the same.

WEDNESDAY, JANUARY 5.

## DUTIES ON SPIRITS.

The House, agreeably to the order of the day, resolved itself into a Committee of the whole, (Mr. BOUDINOT in the chair,) and took into consideration the bill repealing after a certain time the act laying duties on distilled spirits, &c. and imposing others in their stead.

Mr. PARKER moved that the whole bill should be again read. This was objected to as a needless expense of the time of the committee, especially as the substance of the bill had been printed. Mr. P. insisting on his motion, and the rules for conducting business in the committee of the whole being called for and read, the opposition to reading the bill was withdrawn.

The bill being read through, and the first paragraph being repeated by the Chairman,

Mr. JACKSON moved to strike out the essential part of the first clause. He stated his objections at large against the principles of the bill, and reprobated the funding system, and an excise in particular as an auxiliary to it.

The tenor of his observations were to show that this mode of taxation was odious, unequal, unpopular, and oppressive, more particularly in the Southern States; in which he observed its unequal operation would be most sensibly felt, as the citizens of those States have no alternative to adopt by which they can diminish the weight of the tax—no breweries or orchards to furnish a substitute for spirituous liquors; hence they become a necessary article. He contended that they were not only necessary, but salutary in the Southern regions. This, he said, had been acknowledged by an Eastern author, *Mr. Morse*, an authority which he presumed would not be disputed by the Northern gentlemen, especially when it was considered he was a clergyman. Mr. M. declares that grog is a necessary article of drink in the Southern States.

Mr. J. took notice of the petition of the College of Physicians, which had been lately read in the House on the subject of distilled spirits. He disapproved highly of their interfering in the business. He thought they might with equal propriety interpose their offices to prevent the use of many other articles which were deemed pernicious or of a poisonous quality. He instanced mushrooms; they might petition Congress to pass a law interdicting the use of ketchup, because some ignorant persons had been poisoned by eating mushrooms.

Mr. J. then gave a short sketch of the history of excises in England. He said they always had been considered by the people of that country as an odious tax, from the time of *Oliver Cromwell* to the present day; even *Blackstone*,

a high prerogative lawyer, has reprobated them. He said, he hoped this country would take warning by the experience of the people of Great Britain, and not sacrifice their liberties by wantonly contracting debts which would render it necessary to burthen the people by such taxes as would swallow up their privileges. We are, said he, too much in the habit of imitating that country; and I plainly perceive that the time will come when a shirt shall not be washed without an excise. He then expatiated on the unequal operation of excises, and instanced the experience of this State. A few countries, said he, approximate to the capital, have borne the weight of the whole, while the distant parts of the State did not feel the burthen; and by an indication of several particulars he showed its unequal operation in the Southern States. It will deprive the mass of the people of almost the only luxury they enjoy, that of distilled spirits. He did not see the necessity of passing this law the present session. The amount of the produce of the duties laid last session is not yet known, nor is it yet ascertained whether the citizens will subscribe to the assumption. Let us not lay a tax for a purpose which may never exist; for my part, I hope they never will subscribe. He then adverted to the excess of the duties already laid, and the probability of a great increase of that excess; and urged the propriety of waiting at least another quarter to see what that excess may amount to. The observations he enforced by recurring to the recent transactions of the States of Maryland, Virginia, and North Carolina; and he expected to hear very shortly that the Assembly of Georgia had expressed similar opinions with the latter States on the business of the assumption. He concluded by expressing a general disapprobation of the various parts of the bill.

Mr. PARKER said, he had seconded the motion of the gentleman from Georgia, not because he was more averse to this particular clause than to the subsequent parts of the bill. He exceedingly disliked the several provisions contained in it. He then adverted to the general process of the revenue business the last session; and observing on the conduct of the mercantile interest, to which so much credit had been given, said, he thought they were not entitled to the liberal encomiums which had been bestowed on them for their promptitude in paying the duties, as the certainty and increase of the revenue had served to enhance the value of the public securities, of which it is well known they hold a very considerable portion.

He then touched on the subsequent parts of the bill, which he reprobated as hostile to the liberties of the people, as contrary to the general sentiment, not only as partial and unequal in the mode of assessment, but particularly on account of the mode of collecting the tax. It will, said he, convulse the Government; it will let loose a swarm of harpies, who, under the denomination of revenue officers, will range

through the country, prying into every man's house and affairs, and like a Macedonian phalanx bear down all before them. And though the Government has proceeded with a degree of prosperity and success beyond the most sanguine expectations, yet he very much doubted the policy of trying its strength by an experiment of this nature.

Recurring to the actual and probable produce of the duties already laid, he attempted to show that the additional sum of upwards of eight hundred thousand dollars, contemplated to be raised by this bill, is not necessary. He controverted the policy of the measure, and contended that it would, in all probability, rather diminish than increase the revenue of the United States. For the mercantile part of the community, who have been applauded for acting so honorably in making their entries, and paying the impost, will find it for their interest to alter their conduct; they will combine to defeat the excise, which will in its operations bear so unequally on them.

He objected very particularly to the bill on account of its tendency to promote smuggling. Mr. P. said, no man was more heartily disposed than he was to give his approbation to every just measure for supporting the public credit, and doing every thing in his power to support the constitutional operations of the Government; but this mode of raising a revenue he considered as particularly odious to the people; and at the present moment he was not satisfied that such an increase to the public burthens is necessary.

Mr. STONE said, he had no objection to the design of the bill so far as an additional revenue was necessary; but the mode of raising it by excise he exceedingly disliked. He had no doubt that other means might be devised; but at present he thought the committee was not sufficiently informed respecting the actual and probable amount of the revenue from the duties already imposed, to determine the necessity of an addition to the revenue. He therefore moved that the committee should rise without any further discussion of the bill at this time, and that a select committee should be appointed to make the necessary previous inquiries upon the subject, and report to the House.

Mr. FRIZZIMONS observed that there was already on the table a statement from the proper officers of the product of the revenue, from September, 1789, to September, 1790.

This statement was read.

The motion for the committee's rising was put and lost.

The question on Mr. JACKSON's motion for striking out the clause was put, and negatived by a great majority.

Mr. FRIZZIMONS moved that the third clause should be struck out, and that a clause should be inserted referring to a clause in the collection law. The object of this motion was to shorten the proposed term of credit for the duties to four months, which Mr. F. observed

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was as long a period as was generally required to turn West India produce into cash; and an extension of the credit beyond that time would be no advantage to the merchant, and would prove injurious to the revenue.

Mr. GOODHUE said, he hoped the clause would not be struck out. He conceived that no possible injury to the revenue could arise from extending the time of credit beyond four months, especially as the duties will be secured by sufficient bonds or deposits. He hoped the bill would be made as easy and as palatable as possible, for in any event it will be an unpleasant business.

MESSRS. LAWRENCE, PARTRIDGE, AMES, and SEDGWICK severally objected to the motion.

Mr. SHERMAN was in favor of it. He said it appeared to him to be necessary that the revenue of the United States should be as stable as possible. He considered an undue extension of the credit for the duties as tending to defeat that object, while it proves no advantage to the seller of the dutied articles; it rather creates a remiss and careless habit in doing business, and in its consequences will render the revenue unproductive.

The motion for striking out was negatived.

The committee proceeded in the discussion as far as the twelfth section, without making any essential alteration. They then rose and reported progress.

Mr. PARKER laid the following resolution on the table:

“That the Secretary of the Treasury be directed to lay before the House an estimate of the probable amount of the duties arising from the impost on the tonnage of ships and vessels, and on goods, wares, and merchandises from the first of January, 1791, to the first of January, 1792.”

THURSDAY, January 6.

#### REPORT ON CHURCHMAN'S MEMORIAL.

Mr. MADISON, from the committee to whom was referred the petition of John Churchman, made a report, stating that there were two objects contemplated in the memorial; the first respected equipping one or more vessels to enable the memorialist to ascertain by a voyage the truth of his magnetical theory; the other respects enhancing the penalties imposed by law for counterfeiting original maps and charts; with respect to the first, the committee declined giving any opinion, but left it to the decision of the Legislature; the other object the committee supposed might be accomplished by an increase of the penalty already provided by law; the report was laid on the table.

#### ASSENT OF CONGRESS TO CERTAIN ACTS.

A message from the Senate informed the House that they had passed the bill to continue the act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island, with several amendments, to which they desire the concurrence of this House.

#### DUTIES ON SPIRITS.

The House again resolved itself into a Committee of the whole on the bill repealing after the last day of ——— next, the act laying duties on distilled spirits, &c. and imposing others in their stead; Mr. BOUNDINOT in the chair.

The twelfth section which specifies the rates of the duties being read,

Mr. PARKER moved that it should be struck out, in order to admit a substitute which should provide for a different mode of raising the requisite additional revenue; the proposition he had in view, he said, was a duty on molasses. This, he observed, would answer every purpose without being liable to the objections which had been offered against the plan of the bill.

Mr. MADISON observed, that he had felt the force of the objections which had been urged against the bill. He was in general principled against excises, but of all excises, that on ardent spirits he considered the least exceptionable. The question now to be determined, he conceived, was this: is an addition to the present amount of the revenue necessary? It had appeared that an addition is necessary; for his own part, he should prefer direct taxation to any excises whatever; but he conceived this would be contrary to the sentiments of the majority of the people of the United States; and he was fully convinced that it was contrary to the opinion of a great majority of the House. If, said he, any mode could be adopted, without having recourse to excises, he would be the last that would give them support; but he conceived there was none, and the plan proposed was divested of the most exceptionable provisions usually connected with an excise system.

Mr. JACKSON observed, that his defeat yesterday should not deter him, while he had a monitor within from rising in his place to do his duty, in opposition to a system unfriendly to the liberties of the people. He said, he was not the first on this floor who had been outvoted by silent majorities; gentlemen of superior abilities had met with similar treatment. He, however, felt so much respect for himself as to suppose that this silence proceeded from an inability to answer the arguments which he had the honor to offer against what he considered a most ruinous and mischievous system of taxation.

He then stated certain particulars respecting the produce of the revenue, to show that so great a sum as is proposed to be raised by excise is unnecessary.

He doubted not other resources of revenue might be explored which would be more palatable; he instanced a tax on salaries, pensions, and lawyers, and in these particulars, he wished that the example of Great Britain might be followed.

He then dilated on the practice of smuggling, which he contended would be promoted by this bill; also the difficulties and opposition which were justly to be expected, by which the digni-

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ty of the Government would be insulted. Can this Government, said he, protect its officers from the resentment of any one State in the Union. He reprobated the idea of placing the Government in such a situation.

Mr. LAWRENCE observed, that he doubted not every gentleman's mind was open to conviction, and he hoped and expected that every question would be treated dispassionately. He did not rise yesterday to answer the gentleman, because he was not impressed with the force of his arguments in the manner the gentleman supposed the House was. He then adverted to the act of the last session, by which the debts of the particular States were assumed. Having taken this debt upon ourselves, the consequence is obvious, nor can we ever get over the dishonor of not making the necessary provision for paying it. He then adverted to the statements which had been submitted to the House by the officer to whom the Union had entrusted the direction of its finances. From these it fully appeared that a much greater deficiency in the revenue existed than some gentlemen appeared willing to allow. If this deficiency exists, and if the United States are bound to make provision for the debts they have assumed to pay, the duties contemplated by the bill appear the most obvious for the Government to recur to. He adverted to the idea of direct taxation, and inquired on what principle will gentlemen consent to this mode of raising the necessary supplies? Will they make the representation of the several States the rule by which it shall be apportioned? He doubted whether direct taxes on this principle would be agreeable, even to the gentlemen who have mentioned them. He then remarked on the objections to an excise, on account of the mode of collection. He said a rigorous collection would bear hard only on the dishonest, while it would protect the fair trader from bearing an undue proportion of the public burthens.

He observed on the uneasinesses which are said to prevail in some of the States; and to obviate the force of these reflections, he instanced the harmony and peace that prevailed in those States which bear a much greater proportion of the public burthens than those which complain, as was abundantly evident from the documents in possession of the House.

Mr. STEELE stated his objections at large to an excise; he adverted to the particular situation of affairs in some of the Southern States, especially North Carolina. The Assembly of that State had rejected the proposal of taking an oath to support the Constitution of the United States, with scorn; they had also refused to admit Continental prisoners into their gaols; and another circumstance more hostile to the General Government than either of the foregoing had taken place, which he forbore to mention.

He said such was the present state of the public mind, in various parts of the Union, that he should dread taking any measures which

might serve to increase the fermentation which the people are in. An excise he considered of this nature; it would in its operation produce the worst consequences. A more exceptionable mode of taxation he conceived could not be devised. A direct or poll tax he supposed would not be so odious; and though, for his own part, he should prefer an excise to either of the former taxes, yet such was the aversion of the people to it, that he should prefer almost any other alternative. He thought other objects might be found from which the necessary revenue could be raised. He instanced duties on inland navigation, law proceedings, legal conveyances, &c.

He then adverted to the operation of an excise, especially in the State of North Carolina, and said that the consumption of ardent spirits in that State was so great that the duty would amount perhaps to ten times as much as in the State of Connecticut. On the whole, he hoped if the section is not struck out, that the excise will be reduced.

Mr. SHERMAN observed, that the subject now before the committee was thoroughly discussed the last session; and as nothing new or of weight or importance had been offered the present session against it, he thought it would be a useless waste of the time of the House to go into a particular reply to the objections offered against the bill. This, he thought, a sufficient answer to the charge of carrying questions by silent majorities.

He then entered into a short consideration of the subject generally, and defended the system from the charges which had been adduced respecting its unequal operation.

Mr. LIVERMORE was in favor of the bill. He said he considered it as an equal and just mode of taxation; and, as such, will be agreeable to the people—they will consider it as drinking down the national debt. So far, said he, as my observations have extended, I have not found a single individual who has objected to it. He then obviated the objections to the bill, which he conceived arose principally from the word excise. He thought the term very improperly applied on the present occasion, for the duty cannot be said to be an excise. He then gave a description of what had been considered in times past as an excise, which, to be sure, is a very unequal tax, inasmuch as it fell on the poor only, who were obliged to purchase in small quantities; while the rich, by storing their cellars, escaped the duty. But this bill provides that the duty shall fall equally on the rich and poor. It is to be paid, or secured, by the importer of foreign spirits, and on the still-head on domestic spirits. This will equalize the burthen, and leave no room for complaint. He then adverted to direct taxation; and, by a variety of particulars, showed that it was utterly impossible to lay a direct tax that would not prove unjust, unequal, and grievously oppressive.

Mr. BLOODWORTH spoke against the bill. He



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*Duties on Spirits.*

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dilated largely on the present uneasiness which prevailed in the State of North Carolina. His experience, he said, was directly contrary to that of the gentleman from New Hampshire; the people to the Southward universally condemn an excise.

Mr. SEDGWICK said, he was unhappy to hear that discontents prevailed in any part of the United States. He could assure gentlemen that he did not contemplate the execution of the laws by military force. He was sure that in no part of the Legislature were entertained designs inimical to the public liberty. In framing the present bill, great attention had been paid to prevent its being attended with those qualities which, in other countries, rendered taxation by excise justly obnoxious to popular resentment. He relied on the good sense and well-informed understandings of the people in every part of America, for the execution of such systems for the support of public credit, and for the diminution of the national debt, as should be devised by the wisdom of their Representatives. For the same purposes, he said, he confided in the patriotism of the gentlemen who came from those districts of country where uneasiness was said to exist. He believed there was indeed considerable deficiency to be provided for, for the support of Government and of the public credit. This belief was founded in his confidence in the information received from the Secretary of the Treasury. But if there was no deficiency, his disposition to support the bill would be the same; for he had never believed that a public debt was a public benefit. Is it not, then, the duty of those to whom the people have delegated the important trust of guarding their prosperity, in a season of profound peace, to liberate them from the burthen and pressure of debt? Therefore the only question to be determined is, whether the proposed duties are a proper source from whence we might derive the necessary aids to provide for the payment of the interest, or the diminution of the principal of our debt? He believed that of all the subjects of revenue which were within the power of Congress, none was so proper as the duty on ardent spirits, contemplated by the bill. In this sentiment, he believed he concurred with that of the great body of the people. The several species of taxation may be divided into the four following: by impost; a tax on internal negotiations; direct taxes; and that now under consideration, excise. The impost duties had been extended as far as was, in the opinion of any gentleman, dictated by sound policy. The tax on internal negotiations, which could not be carried on to any considerable extent without the intervention of stamps, was subject to the objection brought against the present bill, and that in a degree incomparably beyond it, of being opposed by public opinion. Direct taxes are still more objectionable on that account, at least in every part of the country to which his knowledge extended. They are of all taxes the

most unequal, and in this country would be found the most oppressive. They are unequal, because with whatever exactness they might be apportioned upon capital or income, the only two principles on which an apportionment can be made, they may, and will be, very unequal as to the burthen imposed; because a man's ability to pay taxes is not in proportion either to his capital, his property, or his income, but to that part of his income which is over and above his necessary expenses, according to the usual manner of living for persons of his degree in the community. They will be oppressive in this country, because in many of the States the plentiful circulation of money, and the facility of obtaining it, does not extend to the interior parts, nor could it be obtained by many of our citizens without a great sacrifice of property. It may be added, that from the extent of our settlements compared with the number of our citizens, the expense of collection would be immense.

In regard to excises, Mr. S. said, that in all insensible modes of taxation, it should be observed, that a much greater sum would be obtained from an individual than by any mode of direct imposition; this, without entering into a discussion of the reasons upon which it was founded, is demonstrated by fact. He instanced the porters of London, from whom, in the single article of beer, was drawn ten times as much as could be procured by the most rigorous mode of direct taxation. With regard to the proposed duties, though the well-meant consideration of morality which had been urged by some gentlemen weighed but little with him, because he doubted whether it was well founded, yet, if the consumption should be lessened, he did not believe it would be attended with any sensible inconvenience. The consumption, at present, amounts to an enormous quantity; from these considerations, as the measure is dictated by sound policy, he hoped and believed it would be supported by a good degree of unanimity.

Mr. SMITH, (of South Carolina,) adverted to the funding system, to show that the faith of the United States was pledged to raise a sufficient revenue to discharge the debt, which, by that system, they have engaged to pay. The Secretary's statements point out a deficiency; those statements, he had no doubt, were as accurate as the nature of things would admit. Gentlemen who find fault with the proposed plan do not offer a substitute. He then entered into a defence of the bill, and showed in what respects it differed from the English plan of an excise.

He said, the present bill was not so exceptionable on account of its violating private property as the collection law.

He instanced, in a particular clause of that law, the power of entering houses by warrant from a Justice of the Peace—trial by jury is secured by this bill, and other provisions friendly to personal rights are added.

H. OF R.]

Post-Office.

[JAN. 7, 1791.]

Direct taxes are as much objected to by North Carolina as the excise; and though direct taxes are mentioned, no plan is offered.

He then enlarged on the importance of punctuality in paying the interest of the public debt, and of having a surplus revenue in the Treasury. He doubted not the gentlemen in favor of the bill were as patriotic as those who are averse to it. Difference of opinion is to be expected; but he had a better opinion of the good sense of the community than to suppose they would be led away by a sound; they will see and judge for themselves; and when they see that the law is free from all those obnoxious qualities which have been suggested, they will submit to it without complaint, especially when they realise that the tax is equal, and the only effective resource within the present command of the Government. The General Government is authorized to lay excises—North Carolina knew this when she adopted the Constitution. The opposition, he suspected, was against the object to which the money is to be appropriated.

Mr. GILES said, the sentiments of the people of the Southern States have been so differently represented from what he conceived to be the state of facts, that, in justice to them, he conceived himself bound to take some notice of the observations which had fallen from gentlemen. He then stated certain principles on which taxation should be formed. Taxes should be necessary, and raised on a plan consistent with the principles of liberty. He adverted to the necessity, which, he observed, was abundantly apparent from the report of the Secretary of the Treasury; but he did not confine his opinion to what had fallen from him. He instanced other reasons which would occasion a necessity for replenishing the public Treasury. The expediency of the present mode he argued from the impost's being carried to the utmost; from the approbation of this mode by a majority of the people; and though uneasiness might prevail in some of the Southern States, he considered them as originating altogether from the want of due information. Possessed of that information, he could pledge himself to the committee that they would cheerfully acquiesce in whatever the Legislature should decide to be for the general interest.

With respect to the bill's being agreeable to the principles of liberty and republicanism, this would more properly come into view when that part of the bill which designates the mode of collection comes under consideration. At present, he would only say, that he had observed with pleasure, that there appeared to be a universal disposition in the members of the House to manifest the most scrupulous attention, in all their deliberations, to the liberties of the people.

On the whole, he had no doubt that, on mature reflection, the people would acquiesce in the present plan, when the honor, security, and peace of the United States appeared to be es-

entially connected with a further provision for the public exigencies.

Mr. STONE particularly alluded to the statement offered by Mr. JACKSON, by which it appeared that only the sum of 146,000 dollars were wanting—whereas the Secretary's report calls for the enormous sum of 800,000 dollars. He called on gentlemen to show the errors of the statement offered by the gentleman. It had not been done.

He then adverted to the number of people that would probably be wanted in order to make the duty productive. He believed they would be so numerous as to be sufficient to constitute an army.

Mr. FITZSIMONS read an estimate of the actual and probable produce of the present impost and tonnage for the current year, by which it appears there will be a deficiency of upwards of 300,000 dollars; but taking into consideration certain contingencies, which, should they take place, will diminish the amount of the present duties, it appeared that the deficiency would be much larger than the sum mentioned; but even in case of a surplus being produced by this bill, there are objects to which it can be applied highly beneficial to the United States. He instanced sinking the deferred stock, and the three per cents. The reduction of the public debt is an object which ought never to be lost sight of.

FRIDAY, January 7.

ASSENT OF CONGRESS.

The amendments of the Senate to the bill for continuing the act declaring the assent of Congress to certain acts of the States of Rhode Island, Maryland, and Georgia, were taken into consideration.

Mr. JACKSON observed, that on inquiry he found that the State of Maryland had been struck out of the bill, because it was found that the law, to which the clause referred, had been repealed. He hoped, therefore, that the House would concur with the amendment of the Senate, otherwise the bill would be lost.

Mr. SENEY said, he had been informed that the reason for striking out "Maryland" was, because the law referred to had not been properly authenticated, or conveyed to Congress through the proper medium, the President of the United States. He, however, should not at present object to the amendments, as he doubted not that when the law of the State of Maryland was produced, with the authentication said to be necessary, a bill might then be introduced for declaring the assent of Congress to it.

The amendments of the Senate were agreed to by the House.

POST-OFFICE.

Mr. SHERMAN, from the committee appointed for the purpose, reported a bill for the establishment of Post-offices and Post-roads in the United States. Read the first and second time, and committed.

JAN. 10, 1791.]

*Vacancy in the Presidency.*

[H. OF R.]

It was then voted that it be referred to the Committee of the whole on Monday week.

#### DUTY ON SPIRITS.

The order of the day being called for, which was the bill laying additional duties on distilled spirits, Mr. PARKER moved it should be postponed, in order to give the members time to consider the statements respecting the funds received from the Secretary of the Treasury. A short debate ensued; further procrastination was objected to; the bill was said to be as old as Congress; it had been as fully debated as any subject that ever came before the House; the session is wasting, and the time will hardly admit of finishing the business which the House are pledged to do this session, one article of which is to make provision for the support of the public credit.

On the other hand it was said, that the House was not in possession of the necessary information; the time while the requisite documents are preparing may be employed to advantage; and when the members have fully satisfied themselves of the exact sum necessary to be raised, they may proceed understandingly in the business.

#### RENEWAL OF EVIDENCES OF DEBT.

The motion for postponing the bill obtained, and the House went into Committee on the bill directing the mode in which the evidences of the debt of the United States, which shall be lost or destroyed, shall be renewed, Mr. BOUDINOT in the chair.

A great division of opinion appeared in discussing this bill; the time of the committee was employed only on the first section; they rose without agreeing to any determinate principles—reported progress, and had leave to sit again.

#### LETTER FROM THE SECRETARY OF THE TREASURY.

A letter received from the Secretary of the Treasury was communicated by the Speaker, inclosing a statement of the amount of impost from August, to 30th September, 1789, and from 30th September, 1789, to 1st October, 1790.

MONDAY, January 10.

#### RENEWAL OF EVIDENCES OF DEBT.

The House resolved itself into a Committee of the whole on the bill directing the mode in which the evidences of the debt of the United States, which may be destroyed, are to be renewed, Mr. BOUDINOT in the chair. The committee went through the discussion of the bill; they made sundry amendments, which were reported to the House.

It was then moved that the bill be engrossed for a third reading. This was objected to by several members, and a motion for its recommitment to a select committee, made by Mr. SENEY, after some debate, was carried; and the following gentlemen were appointed the com-

mittee: MESSRS. SEDGWICK, WILLIAMSON, LAWRENCE, CARROLL, CLYMER, STURGES, and SHERMAN.

#### VACANCY IN THE PRESIDENCY.

In Committee of the whole on the bill, declaring what officer, in case of vacancy, [by death, removal, or inability,] in the office of President, and Vice President, shall act as President, Mr. BOUDINOT in the chair.

The first clause of the bill was read, which contains a blank to be filled up, designating the person who shall act as President.

Mr. SMITH, of South Carolina, observed, that by the Constitution, the vacancy is to be filled with an officer of the United States. This narrows the discussion very much. But he conceived there was a previous question necessary to be determined; and that was, whether the person appointed to supply the vacancy should hold the office during the time for which the President and Vice President were elected, or whether he was to hold the office only till a new election could take place. He thought, that, by the Constitution, a new election was not to take place till the term for which the President and Vice President had been elected was expired. He then descanted on the respective offices of the Chief Justice, Secretary of State, and Secretary of the Treasury; and, by several particulars, showed, that the appointment would most naturally devolve on the Secretary of State. He accordingly moved that the blank be filled with the words "The Secretary of State."

Mr. LIVERMORE observed, that in considering this question, he thought no reference should be had to the officers which had been mentioned, for, as it was supposed that the case contemplated would not happen once in a hundred years, he conceived that the present characters, who now hold the above offices, would be entirely out of the question. He had in view a different person, and that was the President of the Senate, *pro tempore*, and moved that the blank be filled with this person.

Mr. WHITE observed, that the Constitution says the vacancy shall be filled by an officer of the United States. The President, *pro tempore*, of the Senate, is not an officer of the United States. Besides, this will give one branch of the Legislature the power of electing a President. This, he conceived, was contrary to the Constitution, as both branches have a right to an equal voice in the appointment in this case. This will introduce the very evil intended to be guarded against.

Mr. WILLIAMSON said, the motion was directly repugnant to the Constitution. Why not choose the Speaker of this House?

Mr. LIVERMORE said, he was well aware of the objections offered by the gentlemen. He could have wished the Constitution had pointed out the person. But he conceived that the Senate was the only body that could do this business. If either of the officers mentioned should be the person designated to supply the

vacancy, it would be in the power of the Vice President, by virtue of the power of removing officers, absolutely to appoint a successor, without consulting either branch of the Legislature.

Mr. SHERMAN observed, that this matter is left with the Legislature. The whole power of the people, in case of the vacancy, devolves on the Legislature. The particular officer is not pointed out; it lies with Congress to say who it shall be. The President of the Senate is an officer of the United States. In case of the death of a Governor and Lieutenant Governor, it is common in the several States for the oldest counsellor to preside. He instanced the case of the abdication of James II. Adverting to the Constitution, he showed that the appointment of Vice President, in certain cases, devolves on the Senate. The vacancy may be filled for a longer or shorter time, and this appears to be a question previous in its nature to be determined.

Mr. SEDGWICK said he should be in favor of the motion of the gentleman from New Hampshire, if it was not for the express provision in the Constitution, which says, the office shall be filled by an officer of the United States. Should the vacancy now happen, there would be no officer in the Senate that could be appointed.

He mentioned that the office of Chief Justice was considered as next to that of President, and, therefore, on the whole, he considered him as the most proper person to fill the vacancy. He thought the bill respecting the votes for President and Vice-President should be first determined. He moved, therefore, that the committee should rise, and take up the next bill.

Mr. CARROLL and Mr. LIVERMORE objected to the motion for the committee's rising.

Mr. MADISON was also opposed to the motion. He enlarged on the subject, and said he thought it a duty urged by a variety of considerations, important in themselves, and more so, perhaps, in their consequences, that the decision should be now made.

Mr. SMITH started a variety of objections to Mr. LIVERMORE's proposition. He thought it unconstitutional, as it would, in its operation, deprive a State of a vote in the Senate.

Mr. BOURNE said, he seconded the motion for the committee's rising, because he conceived there was other business of more immediate importance to be considered; and he saw no necessity for coming to a decision on this question at the present time.

Mr. LAWRENCE supposed the blank could be filled up in the House; he was, therefore, in favor of the committee's rising.

The motion for the committee's rising was negatived.

Mr. BENSON was in favor of filling up the blank with the Chief Justice. He observed, that the objection arising from the Vice-President's having it in his power to name his successor, in case the Secretary of State is inserted, does not apply to the Chief Justice. He is independent of the Executive.

He pointed out several particulars, in which

there was an incompatibility in the offices of Secretary of State and that of President. He observed, that the appointment to the Regency, in all countries, is generally of the first law officer.

Mr. JACKSON objected to the Chief Justice, and said the Speaker of the House of Representatives was, in his opinion, the next officer in point of dignity to the President and Vice-President.

Mr. MADISON objected to the Chief Justice, as it would be blending the Judiciary and Executive. He objected to the President *pro tem.* of the Senate. He will be a Senator of some particular State, liable to be instructed by the State, and will still hold his office—thus he will hold two offices at once. He adverted to the other objections which had been offered against the Secretary of State, and showed the compatibility of the two offices.

Mr. STONE stated sundry difficulties respecting all the officers that had been named; but, on the whole, thought there were fewer against the Secretary of State than any other officer that had been mentioned.

Mr. SENEY was opposed to coming to any decision at the present time. He thought more important business was before the House. He was not for making any decision that would give umbrage to any officer of the Government. The Secretary of State and the Secretary of the Treasury were equally entitled to the public notice.

Mr. CARROLL was in favor of coming to a decision; and if nothing more could be offered against the motion for filling up the blank with the Secretary of State, he presumed the committee were ripe for a decision; he referred to the situation of countries who had not, in season, made provision for a Regent, &c.

Mr. SHERMAN said, he was in favor of the committee's rising and reporting the bill, and leave the blanks to be filled up in the House.

Mr. WHITE was in favor of filling up the blank in the committee—he saw no reason for a delay. The officers mentioned are as well known now as they will be three days hence. The President and Vice-President being in health, is a reason why the subject should now be considered; it can be done with coolness and freedom from all warmth.

Mr. LAWRENCE said, he thought there was no necessity for precipitating the decision. With respect to every person that has been named, difficulties have been started. The subject is important, and time should be given to deliberate on the several officers that have been named. He hoped, therefore, that the committee would rise and report the bill, and leave the blank to be filled up at another time.

Mr. BURKE was in favor of the committee's rising. He observed, that the members in general appeared to be very much undetermined. This is the first day the subject has been under consideration. He hoped the members would not be precipitated to vote on the occasion.

Mr. CARROLL said, if the committee should

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rise, he hoped the bill would not be reported, but that they would sit again.

Mr. BURKE said, he hoped the committee would sit again.

The question on the committee's rising and reporting progress was carried in the affirmative.

TUESDAY, January 11.

JUDICIARY.

Mr. BLOODWORTH presented a memorial from the merchants and others of the town of Fayetteville, and another from the merchants of Wilmington, respecting the Judiciary system, proposing certain alterations therein. Referred to a committee of five, consisting of Messrs. —, BURKE, BLOODWORTH, GILES, and BROWN.

DUTY ON SPIRITS.

The House again resolved itself into a Committee of the whole on the bill repealing, after the last day of — next, the duties heretofore laid on distilled spirits, and laying others in their stead, Mr. BOUDINOT in the chair.

The thirteenth section, which provides for laying a duty on spirits distilled from materials the produce of the country, was read.

Mr. JACKSON moved that this section should be struck out. He observed, that this he conceived to be the stage of the bill in which a stand ought to be made by its opposers. This clause respects the produce of the country, and here the friends of American manufactures and produce ought to make their exertions to defeat the bill. He then read a particular estimate, by which, he said, it appears that the proposed provision was entirely unnecessary. He then offered some general observations on the bill. Direct taxation, said he, has been objected to; this power is as fully recognised by the Constitution, as the right of laying excises; those, therefore, who are opposed to the latter, have as good a right to offer their objections, as those opposed to the former. The Secretary says, we ought to leave direct taxes as a resource for a future emergency: but is it not better to have two resources than one? The impost duties must increase, and a sufficient revenue for every purpose from that source is to be expected. Why, then, should we lay this obnoxious tax? He concluded, by saying he should lay his estimate before the House.

Mr. WADSWORTH said, he had also made some calculations which he should submit to the House. In these he had taken pains to be as accurate as possible. He then read his estimate, by which it appeared that the probable amount of the impost would be diminished even below the sum stated by the Secretary of the Treasury. The tonnage, he said, would be diminished, owing to the change in the present situation of Europe, and the cessation of the demand for grain. The importation of molasses and sugar must be lessened, as the articles are not to be had. Great part of the European im-

portations for the past year have been made on speculation, and are not to be again expected; and there will be, said he, a very great decrease in the amount of the revenue on wines. He adverted to the Western expedition, and observed, a greater sum than has been mentioned will be wanted on that account; and the pension list, he feared, would be increased rather than diminished. On the whole, he thought there was no danger of a great excess in the revenue. The duty on domestic spirits he considered as proper; it is a duty that will be submitted to by the people, and even a direct tax would be paid without murmuring, if the necessity was made apparent.

Mr. JACKSON replied to Mr. WADSWORTH. He controverted the estimate offered by that gentleman, and then entered into a recapitulation of his arguments against the bill, and urged the postponement of it to the next session.

Mr. STONE observed, that the House had at last got into a mode of considering the subject, which ought to have been attended to at first.

He adverted to the drawback stated by the gentleman from Pennsylvania; but he desired to know why this sum, which amounts to upwards of ten thousand dollars, is not mentioned by the Secretary of the Treasury. He considered the sum stated by the Secretary for the year '39, as the nett produce of the revenue; and he believed that would be found to be the sum. With respect to the decrease in the importations, this had been the cry for seven years back. He believed this would continue to be the case, though the importations, he was well satisfied, would continue to increase, and this would be owing to our increasing population.

The gentleman from Pennsylvania has noticed the probable decrease in the importation of teas, wines, &c. but takes no notice of the increase in the importation of other articles. He said, gentlemen had called our attention to the Mediterranean and Indian expeditions; but neither of these subjects are now before the committee. If these subjects are to be considered, let us go into a committee on them and see what is necessary to be done. At present, we are devising ways and means to pay the interest of the State debts; and, with respect to this object, he conceived the revenue to be derived from the present establishments will be sufficient for that and all the other exigencies of Government, until the year 1793. It is now said, that the excise will be sufficient for all the demands of Government; but he suspected that he should hear something on the subject of tonnage before the end of the session.

Mr. WILLIAMSON adverted to the publication of the resolutions of the Assembly of North Carolina, in which some misinformation had taken place. He then alluded to the assumption, and observed, that since the United States had made the State debts the debts of the Union, it became necessary to provide for them, and he supposed some sort of excise was necessary.

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He reprobated a land tax; and then observed that excises, according to the Constitution, ought to be equal. He proposed to equalise them, by proposing a tax on beer and cider. If there will be an excess in the revenue, as appears pretty evident, let the duty on our own produce be struck out. He insisted on the injustice of laying this duty on those States which had been adverse to the assumption.

He suggested other sources of revenue—mentioned newspapers, on which, he supposed, if a duty was laid, it would be advantageous to the public and to the printers. He concluded by saying, he hoped the thirteenth section would be struck out.

Mr. AMES offered a few remarks, to show the obligation of the Government to provide permanent funds for the payment of the interest of the debt, agreeably to the spirit of the law passed the last session; nor did he conceive that a casual surplus was any sufficient reason for not making complete provision; annual grants for the purpose of supporting the public credit had been sufficiently proved inadequate to the object.

Mr. BLOODWORTH observed, that if prejudices do exist, whether well founded or not, they produce all the mischiefs of a well founded opposition, until they are removed. He said a universal opposition to excises exists in North Carolina, and he dreaded the consequences of this measure being urged. North Carolina has been well disposed to the Government—what is the reason this is not at present the case? It is owing, sir, to the measures which have been pursued by the Government. The assumption was a measure universally odious to the people of that State, and he believed it was so to many other persons in the Southern States. With respect to the observations of the gentleman from Massachusetts, that North Carolina knew, when she adopted the Constitution, that the General Government had a right to lay excises, he observed, that North Carolina expected that some attention would have been paid to her proposed amendments. On the whole, he hoped the clause would be struck out; and if an excise is thought to be necessary, let it be laid only on foreign spirits, and spirits manufactured from foreign materials.

Mr. LAWRENCE replied to Mr. BLOODWORTH'S observations, respecting confining the duty to foreign spirits. He said, this would operate to produce a very great deficiency in the revenue. The importation of foreign spirits will be destroyed, and the revenue derived from that source will be lost.

He adverted to certain objections which had been urged against the bill, from the experience of Great Britain. He showed that none of these applied to the present occasion. The bill is divested of those qualities commonly supposed to be connected with excise laws. He took notice of the accounts of uneasinesses which are said to exist in some of the States, and counterbalanced them by the tranquillity

and satisfaction which appear in others; in those which, it is presumed, bear, at least, a full proportion of the burthens already imposed by Government.

He contended, that the operation of the bill would be to equalize the public burthens; and when this is realized, as it will be, he doubted not a spirit of conciliation and good humor would be the consequence.

Mr. JACKSON said, that the funding law had appropriated the revenue for the payment of all the debts original and assumed; and the faith of the United States is pledged only to make up such deficiencies as may happen. It appears from the calculations before the committee, that no such deficiency will be to be provided for. He wished gentlemen to show some plausible reason for this additional burthen on the people. The estimates he had offered cannot be invalidated.

Mr. PARKER said, he had heard nothing to induce him to change his mind respecting this bill. He had been uniformly opposed to excises, and he should not withdraw his opposition at the present time. He then adverted to the unequal operation of an excise, especially on the Southern States, which, he said, rendered it entirely contrary to the spirit of the Constitution. He doubted not the revenue would increase, notwithstanding the suppositious defalcations which had been mentioned. He urged the unpopularity of the measure. The cultivation of the Southern orchards ought to be encouraged by the Northern States, as the Southern States had encouraged their navigation and fisheries. But if this partial duty is to be pressed upon us in this manner, I shall not think it my duty to be equally zealous in their favor in future.

Mr. LIVERMORE observed, that several estimates had been offered to the committee—they cannot be all right, because they disagree. He observed, that it had not been noticed by any person that the present duty on foreign rum would be taken away by this bill, and the whole sum to be raised from that article is from the bill now under consideration. But suppose a surplussage of revenue of one or two hundred thousand dollars should be in the Treasury, which I wish with all my heart may be the case, are there not ways and means enough to apply this surplussage to the advantage of the United States? He instanced a variety of ways in which such a surplus might be applied; but he did not seriously contemplate such a surplus. He then adverted to the objection on account of the inequality. He said, the duty on spirits distilled from molasses is agreed to; why should not the spirits distilled from peaches in the Southern States be also subject to a duty? This he considered as unequal, and discovered a want of candor in the gentlemen from the Southward.

Mr. PARKER asked the gentleman if molasses was an article of the produce of this country? The Southern States have nothing by which they can procure molasses. If the gentleman



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would consent to excise fish, he would consent to an excise on peach brandy.

Mr. FITZSIMONS observed, that the deficiency occasioned by the alteration in the duty on foreign rum would occasion a very considerable addition to the deficiency in the revenue. With respect to the inequality mentioned, he said there was no probability that the Southern States would ever pay an overproportion of the revenue.

Mr. WILLIAMSON stated certain particulars, to show that a just idea of the sum paid by North Carolina could not be known by any statements from the public offices. Their business is carried on coastwise. To judge of their consumption, recourse must be had to the exportations of that State. He said the exportations of North Carolina amounted to a million of dollars annually.

Mr. CLYMER said, that a gentleman from Georgia had mentioned the aversion that the people of Pennsylvania bore to an excise law. Such a law, he observed, had been in force in the State for fifty or sixty years, and the excise officers were vested with as much power as it was proposed to give them by the bill before the House; that some resistance had been offered to those officers acting in the line of their duty, but that those who opposed them in the execution of their business were severely fined. He was not convinced that the duty which it was proposed to lay on spirits by the bill under consideration, was odious to a majority of the States—the most of them had excise laws of their own, and he conceived the present bill was as well guarded as possible, by wholesome provisions, against every objection. From the statements which had been produced, there would be no great excess in the revenue he apprehended, but if there was, it would be well applied in lessening the public debts.

Mr. MADISON remarked on the observations of Mr. FITZSIMONS respecting the Southern States not paying their proportion of the impost. He showed that the trade of the Southern States was carried on by the Eastern and Northern States. That the consumption of the Southern States was proportioned to their numbers, and in this way they bore their full proportion of the public burthens.

Mr. JACKSON replied to Mr. CLYMER, and said, that if the people had been severely fined for a breach of the excise law in that State, he had been well informed that the fine had been as severely remitted.

The question on striking out the thirteenth section was negatived—33 to 17.

WEDNESDAY, January 12.

#### LAND OFFICES.

The bill for granting lands to the inhabitants and settlers of the town of Vincennes, in the Illinois country, northwest of the Ohio, and confirming them in their possessions, was read a second time, and referred to a Committee of the whole House.

Mr. SEDGWICK presented petitions from a number of officers and soldiers in the Massachusetts line of the late army, which were read and referred to the Secretary of War.

Mr. FITZSIMONS presented a petition from a number of tradesmen employed in the various branches of ship-building in the cities and liberties of Philadelphia, praying that they may have some speedy remedy for recovery of their debts in those branches of business, by instituting suits in the Federal Courts; which was read and laid on the table.

Also a petition from Joshua Barney, late a captain in the navy of the United States, praying to be reimbursed his expenses while a prisoner with the enemy; and that he may be put on the same footing with the other officers in the late American navy.

Also a petition of sundry officers in the late American navy, praying compensation for services, &c. The two last petitions were read, and referred to a select committee of five members.

Mr. WILLIAMSON moved that the rule of the House, in these words, "that no bill amended by the Senate shall be committed," may be expunged; which was agreed to by the House.

A message was received from the Senate, informing this House that they have passed a bill for erecting that part of the State of Virginia, called the district of Kentucky, into a separate State, and for admitting the same as a member of the Union, to which they desire the concurrence of the House.

In Committee of the whole on the bill repealing, after the last day of — next, the duties heretofore laid on distilled and other spirits imported from abroad, and laying others in their stead, Mr. BOUDINOT in the chair.

The committee proceeded in the discussion as far as the forty-fifth section.

THURSDAY, January 13.

The bill from the Senate for the admission of the district of Kentucky into the Union, was read the second time, and made the order of the day for Monday next.

Mr. SEDGWICK laid the following motions on the table:

*Resolved*, That a committee be appointed to bring in a bill to authorize the President of the United States to cause the principal of the debt due to foreign officers, the interest whereof is now payable in Paris, at the rate of six per cent. per annum, to be discharged.

*Resolved*, That as it will be impracticable, during the present season, to consider and decide on the report of the Attorney General respecting the Judiciary system with that deliberation which the importance of the subject demands, the consideration of the said report be postponed.

*Resolved*, also, That the Attorney General be directed to report to this House a bill, making a temporary provision for the clerks, jurors, and other officers of the Federal Courts; and that he also re-

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port to the next session, a bill making a general provision for the officers and jurors of said Courts.

#### NEW REVENUE BILL.

In Committee of the whole on the bill repealing, after the last day of — next, the duties heretofore laid on distilled spirits, and laying others in their stead, Mr. BOUDINOT in the chair.

The discussion of the remaining sections was finished; and the bill, with the several amendments, reported by the Chairman to the House.

On motion of Mr. CARROLL, it was

*Resolved*, That the consideration of the bill with the amendments be postponed, and made the order of the day for Monday next.

#### VACANCY IN THE PRESIDENCY.

In Committee of the whole, on the bill declaring the officer who, in case of vacancy in the office of President and Vice-President, shall exercise the office of President of the United States, Mr. BOUDINOT in the chair.

The motion for filling up the blank with "the Secretary of State for the time being," was renewed by Mr. CARROLL.

Mr. LIVERMORE gave notice, that he should move for leave to bring in a bill to alter the time of the annual meeting of Congress.

#### PRESIDENTIAL ELECTORS.

The House then went into Committee on the bill declaring the time when the Electors of President and Vice-President of the United States shall be chosen; also, when they shall meet and give in their votes—Mr. BOUDINOT in the chair.

Mr. CARROLL renewed the motion, that the vacancy in such case be filled by the Secretary of State for the time being.

Mr. LIVERMORE observed, that the character of the gentleman who fills that office should have no weight in determining the question, because the House was about to provide for a case that might not happen before a number of years were elapsed. The House should fix on the officer who would, from the nature of his office, most naturally succeed. He hoped they would not determine in favor of an officer of their own creating, and of which no mention is made in the Constitution. The Chief Justice, he remarked, had been spoken of: one great objection he mentioned against him—the provision which the Constitution makes in case the President is impeached, viz: that he should preside. As this was an elective Government, he wished its principles preserved, and not to see the Chief Magistracy filled by an officer not the choice of the people. The President of the Senate *pro tem.* appeared to him a much fitter officer to fill that station: he was originally chosen by the people to the Senate.

When amendments to the Constitution came to be thought of, perhaps it would be proper to provide for this case by a special clause in it, empowering the Electors who had chosen the President and Vice-President, in case of va-

cancy, to meet again, and make another choice; only, however, for the remainder of the four years; because, at the end of that time, the power of choosing the Electors should return to, and be exercised by the several States.

If the motion before the committee was negatived, he gave notice that he would bring in his, viz: to fill up the blank with the person last antecedently chosen President of the Senate.

Mr. BALDWIN said, that he should vote for the present motion, because he conceived that the Constitution is express, that an officer of the Government, designated either by the law or the Constitution, should be appointed to fill this vacancy. He stated some objections against the Chief Justice. He is an officer who ought to be entirely detached from all political agitations whatever—his mind ought to be kept calm and as unembarrassed as possible. He quoted the precedent established in the law instituting the Governor of the Western Territory—there the Secretary is to succeed the Governor. The Secretary of State is an Executive officer, an assistant to the President, and must be supposed, from his situation, to be the most proper person to supply the vacancy.

Mr. SHERMAN was of opinion, that putting the Chief Magistracy into the hands of a subordinate officer, was by no means proper. As to the observations made by the gentleman last up on the arrangements in the Government of the Western Territory, he did not think they could be applied to the present case. That Government is a subordinate one, and a kind of legislative power is vested in the Governor of selecting from the laws and regulations of the different States, such as he thought requisite for the Government of those he had under his care.

He was in favor of giving the supreme Executive, in case of accident, to the President of the Senate. The Government would certainly suffer fewer inconveniences by that arrangement than if the Head of a Department was put in. The Vice-President, by the Constitution, succeeds to the President—the President of the Senate to the office of the first; it is therefore very natural that he should also exercise the duties of the second in case of vacancy.

To designate any officer as possible successor to the President, would be giving him too much dignity, and raising him, in a manner, even above the Legislature.

Mr. CARROLL observed, that the vacancy might happen in the recess of the Legislature, or in the absence of the President of the Senate; the Secretary of State would always be at the seat of Government. Besides, the Constitution declares the vacancy shall be filled by an officer of the Government. The President of the Senate is only an officer *pro tem.* If the framers of the Constitution had intended the vacancy should be filled by an officer named in it, they could have designated him; but this they had not done; he therefore supposed they had in view some officer not then in existence.

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Mr. GERRY regretted that the subject should have been taken up at this moment, when so much important business is before Congress. He adverted to the motion, and said, that the character which now fills the office of Secretary of State undoubtedly possessed the confidence of the Legislature in the fullest manner, and very justly; but when the exigency shall arrive for which we now are about to provide, a character may fill that office who would be a scourge to the Union. Besides, said he, if the office of Vice President was now to be filled, the Secretary of State would be ineligible, coming from the same State with the President. He stated other objections from the Constitution. He thought the nomination should not be confined to officers of the United States. He supposed the views of Government may be extended even to officers of the several States. He, however, wished the whole business postponed; but if this idea is overruled, he suggested the propriety of filling the blank with the constitutional clause respecting the highest candidates who are primarily voted for as President and Vice President.

Mr. SMITH remarked, that there appeared to be so great a diversity of opinion on the subject before the House, that he doubted the possibility of procuring a majority for either of the motions that had been made. There would be objections, he conceived, to any proposition that could be offered; but the committee should determine on that to which there were fewest. To the Secretary of State he thought there were less than to any other officer proposed. Those against the Chief Justice he thought unanswerable. Indeed, the gentleman who proposed him had not offered any answer to the objections made to that officer.

The duties of the President of the Senate, and those of the President of the United States, appeared to him incompatible. The first was the Representative of a particular State, and bound to obey the instructions of it. If he was to be deprived of his seat in the Senate his State would lose a vote there, and the balance of that branch of the Legislature would be destroyed.

He recapitulated the objections that had already been made to the Chief Justice's filling the chair. His power of expounding treaties would be improperly mixed with that of making them; that of condemning for offences, with a power of granting reprieves and pardons. Then the Chief Justice could not act with propriety as Commander in Chief of the army and navy. It had been said, he observed, that the Judiciary business might go on for some time without the assistance of the Chief Justice. He thought not; there were three Circuit Courts, and two Judges for each, including the Chief Justice. If he was absent, the business of one of the Circuits could not proceed; besides, he should preside in the Supreme Court.

He concluded by saying, that the office of Secretary of State and the duties of President

were analogous. He was a kind of assistant to the Chief Magistrate, and would, therefore, very properly supply his place; besides, he was always at the seat of Government.

Mr. BURKE said, that he had consulted a gentleman skilled in the doctrine of chances, who, after considering the subject, had informed him, that there was an equal chance that such a contingency would not happen more than once in eight hundred and forty years. He hoped, therefore, that the committee would not spend any more time upon the subject, but postpone it altogether.

Mr. GILES conceived, that the probability of the event's taking place was much greater than Mr. BURKE seemed to think. According to the doctrine of politics, he said, it was not more than fifty to one that it would not happen in two months. However, even if the chance was much less, it was the duty of the House to make provision for the accident before it occurred. If it was left till the case actually took place, it would then be too late to think of remedying the evil; for it was to be provided for by a Legislative act, which could not be made complete without the President's approbation and signature, and could therefore not be obtained when the chair was vacant. Then, if the event should happen before it was provided for, there would be, he conceived, an end to this Government.

He used another argument to urge the necessity of a speedy provision. Suppose, said he, the Vice President should die, then the fate of this Government would remain in the hands of the President who by resigning would destroy its organization, without leaving a constitutional mode of filling the vacancy.

In addition to the loss of this Government, would not every member of the Legislature, he asked, lose his character, credit, and reputation.

Having shown the necessity of making immediate provision for a case of so much importance to the very existence of the Government, Mr. GILES declared he was in favor of filling up the blank with the Secretary of State. He chiefly rested his opinion on the idea, that if the Constitution had not intended that the vacancy should be filled by some officer not there mentioned, they would have determined who it should be.

Mr. SEDGWICK was sorry that the business had been brought forward, and more so that gentlemen should discover a zeal on the occasion which indicated too much of taking a personal interest in the question.

He did not apprehend the consequences which would follow, if the accident should occur, would be so dreadful as the gentleman last up appeared to think. There was more danger, he conceived, in ruffling men's tempers now, by designating one officer heir apparent (if he might be allowed the expression) to the office of Chief Magistrate.

He objected to filling up the blank with the

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Secretary of State; it would be putting in the hands of the President (or of the Vice President) a power of appointing his successor. The authority with which the Chief Justice is vested, the respect which his station commands, and his independence, induced him, he said, at first to think him the most proper person to be at the head of affairs in case of vacancy in the Chief Magistracy. However, if it could not be agreed to postpone the business, he should now vote for the President of the Senate *pro tem*.

Mr. BENSON said, that an honorable gentleman (Mr. SMITH) had remarked, that he had not attempted to answer the objections which were made to the Chief Justice's being designated to fill the vacancy, and had drawn the conclusion that the objections were unanswerable. He was sensible that there might and would be objections to any officer that could be mentioned; but those against the Chief Justice he did not think unanswerable. It had been objected that there would be an impropriety in his condemning as Chief Justice, and pardoning as President. But something like this is frequently the case. He supposed that whoever exercised the office of Chief Magistrate would for the time resign his first office. He only mentioned this to show that the objections made to the Chief Justice had not been answered because they were deemed unanswerable. But his wish was to see the vacancy filled by an independent officer; he had, therefore, no objection to the President of the Senate *pro tem*.

Mr. JACKSON moved, that the consideration of this business be postponed, which was agreed to. The committee rose, and reported.

FRIDAY, January 14.

Mr. WHITE, from the committee appointed for the purpose, reported a bill for establishing a land-office for the sale of the unappropriated lands in the Western Territory; read the first and second time, and referred to a Committee of the whole House.

Mr. FITZSIMONS, from the committee to which was referred the petition of sundry officers of the navy of the Revolutionary war, brought in a report, which was

That the prayer of the said petition cannot be granted, and that the petitioners have leave to withdraw their petition.

This report was accepted by the House.

Mr. SEDGWICK's motion for appointing a committee to bring in a bill providing for the payment of the debt due to foreign officers, was taken up, and referred to a committee, consisting of Messrs. SEDGWICK, BENSON, and SENEY.

Mr. MADISON laid before the House a memorial and three resolutions of the Legislature of the State of Virginia, on the subject of the funding law, which were read and laid on the table.

ELECTORS OF PRESIDENT.

The House went again into a Committee of

the whole on the bill determining the time when the Electors of President and Vice President shall be chosen, Mr. BOURNOUT in the chair.

A motion by Mr. SMITH (of S. C.) to strike out a clause in the first section, which referred to vacancies happening from special contingencies, after a short discussion was disagreed to.

Mr. BENSON, who was one of the committee which reported the bill, then stated the reasons which influenced the committee in the arrangement of the times of choosing the Electors, and their giving in their votes.

Mr. SEDGWICK said, he supposed that the design of the provision on this subject in the Constitution was to prevent, as far as possible, the practices of corruption and intrigue in the business of elections. To effect this salutary object he thought it necessary that the time of choosing Electors should be fixed, and that as short a period as possible should be suffered to elapse between the time of choosing and the time when the Electors should give in their votes; the bill, said he, proposes eight weeks; he thought that too long a period.

Mr. BENSON observed, that the term of eight weeks was thought not more than sufficient to accommodate the circumstances of some of the States; a shorter period might have suited others; but the idea of uniformity rendered it necessary to fix on a particular period.

Mr. GOODHUE objected to assigning one particular day for all the States, as, he observed, the modes of election in the several States are different. In some the Electors are chosen immediately by the people at large; in others they are chosen by the State Legislatures; this will render it extremely difficult to comply with the law, if they are to be chosen on one and the same day throughout the Union.

Mr. CARROLL said, that it appeared to him necessary, in the first place, to determine who shall choose the Electors. For his part, he was fully convinced that this power is exclusively vested in the people by the Constitution.

Mr. JACKSON observed, that the difficulties mentioned by the gentleman from Massachusetts would accrue from fixing on a particular day in the State of Georgia; there the Electors are chosen by the Legislature, which meets at a particular season of the year. This clause will render two sessions necessary, which would be exceedingly inconvenient. He moved, therefore, that the clause which appoints a particular day when the Electors shall be chosen should be struck out, and that the time when they shall meet and give in their votes should only be designated. This motion was seconded.

Mr. GILES said, that he conceived but one mode of choosing Electors was contemplated by the Constitution; the State Legislatures he thought ought not to choose them; they ought to be chosen by the people. He adverted to the Constitution; the words are:

"That each State shall choose," &c.

This plainly implies that the Legislatures are

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not authorized to exercise that power themselves. Congress has a power to say when they shall be chosen; this imposes a necessity for one mode, and that the mode should be uniform, and be by the people; for the Legislatures, from the different circumstances of the States, must meet at different periods. He wished this point to be settled. He thought the people ought to choose the Electors.

Mr. JACKSON contended that the power was left discretionary with the State Legislatures.

Mr. GOODHUE said, this was plainly the case, by the express words of the Constitution.

Mr. AMES moved, that the clause should be amended, so as to include the words of the Constitution:

"In such manner as the Legislature thereof may direct."

This motion was seconded by Mr. STONE.

Mr. LIVERMORE was also in favor of the motion.

Mr. MADISON said, a question arose here, which was, whether the power of Congress extends to determining the manner of choosing, by virtue of possessing the power of determining the time of their being chosen. He was, however, disposed to think that the best idea was that suggested by the gentleman from Massachusetts.

Mr. SEDGWICK said, he was in favor of the motion of the gentleman from Georgia; and in this view of the subject—he was opposed to the opinion of the gentleman from Virginia (Mr. GILES) as interfering with the Legislative rights of the several States.

Mr. TUCKER was opposed to the idea of a particular interference of the General Government, in respect to the time and mode of choosing the Electors. He wished therefore that the motion for striking out the words should obtain; if that was done, he should move a clause to this purport, that the Electors shall be constitutionally chosen.

Mr. LAWRENCE was in favor of leaving the time of choosing to the several State Legislatures; a general regulation could not be agreed upon, which would not involve the difficulty that gentlemen appeared solicitous to guard against, and that was the opportunity which would necessarily be given for caballing, in consequence of the great extent of some States, and the confined limits of others; it appears, therefore, said he, absolutely necessary to leave the time of choosing to the State Legislatures, and this will put it in their power to reduce the interval between choosing and voting, in such manner as circumstances may dictate, to prevent the inconveniences contemplated.

Mr. GILES said, he believed he had been misunderstood, he did not mean to invade the rights of the State Legislatures; so far from that, he was averse from every measure which had a tendency to that point. He then enlarged on the ideas he had before suggested. He had no objection to the mode of expression proposed by the gentleman from Massachusetts, (Mr. AMES,) but still contended that uniformity pointed out the necessity of one day's being fixed on; this, he supposed, might be done in perfect consistency with the clause in the Constitution.

Mr. SENEY was in favor of striking out the words.

Mr. SHERMAN showed from the Constitution, that Congress possess the power of appointing the time of choosing the Electors, and the time when they should meet to give in their votes. He was in favor of Congress exercising this power, in order to guard against all intrigue, and this he conceived was agreeable to the people, for in none of the Conventions was an amendment of this article ever moved for.

Mr. VINING was against striking out the words, as he thought that uniformity was an essential object to a free and independent election; with that uniformity, the equal rights of the citizens is inseparably connected. The manner of choosing may be left with the Legislatures; but the time of choosing and voting, said he, should be determined by Congress.

Mr. LAWRENCE showed, that the operation of this principle of uniformity would be to produce the very evil apprehended. Should the time come, when the States are reduced to a size more proportionate to each other, this uniformity may be introduced.

Mr. WILLIAMSON was in favor of striking out the words proposed by Mr. JACKSON.

The vote being taken, the words were struck out: so that the time of choosing Electors is left by the bill with the State Legislatures.

The next clause respects the time when the votes shall be counted.

Some of the members supposed that the votes should be counted by the old Congress.

Mr. BENSON said, if the votes should be counted by the new Congress, they may be counted by men chosen with a special reference to influence finally in the election; no alteration was made in this clause.

The discussion of the bill being finished, the committee rose and reported the same, with the amendments agreed to; which being taken into consideration, they were adopted by the House, and laid on the table.

MONDAY, January 17.

GEORGE GALE, from Maryland, appeared and took his seat.

DUTY ON SPIRITS.

The House proceeded to consider the Report of the Committee of the whole on the bill repealing, after a certain time, the duties heretofore laid on distilled spirits, and laying others in their stead.

It was moved by Mr. JACKSON, to strike out the thirteenth section, and the yeas and nays on the question being taken, it passed in the negative; yeas 16, nays 36. The yeas and nays being as follows:

YEAS.—Messrs. Baldwin, Bloodworth, Brown, Burke, Heister, Jackson, Matthews, Moore, P. Muhlenberg, Parker, Scott, Sevier, Steele, Stone, Tucker, and Williamson.—16.

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*Duty on Spirits.*

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NAYS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Clymer, Fitzsimons, Floyd, Foster, Gilman, Goodhue, Griffin, Grout, Giles, Lawrence, Lee, Leonard, Livermore, Madison, Partridge, Van Rensselaer, Schureman, Sedgwick, Seney, Sherman, Sylvester, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Vining, Wadsworth, White, and Wynkoop.—36.

Sundry other amendments were proposed, but postponed until to-morrow.

TUESDAY, January 18.

A message from the President of the United States was laid before the House, stating the amount of the expenditures out of the contingent fund of last session; enclosing a letter from the Governor of Virginia, with sundry resolutions of the Legislature of that State, respecting the lands Northwest of the Ohio, granted by an act of Congress to the officers and soldiers of that State. A petition from the officers therein referred to; and a letter from the Governor of Maryland, enclosing an act of the Legislature of that State, empowering the wardens of the port of Baltimore to collect the duty therein mentioned.

Mr. GOODHUE moved, that the Secretary of the Treasury be directed to report to the House whether any, and what, further provision is necessary to be made for the respective officers employed in the collection of the revenue; which motion was agreed to.

A committee, consisting of Messrs. SENEY, SMITH, of Maryland, and MATTHEWS, was appointed to report a bill declaring the assent of Congress to a certain act of the State of Maryland therein mentioned.

#### DUTY ON SPIRITS.

The additional amendments proposed to the new revenue bill were taken into consideration.

The amendment to add a clause after the words "city, town, or village," in these words, containing not less than — families, being under consideration,

Mr. WHITE offered some general observations on the bill, and on this part in particular, which would, in its operation, be very disagreeable to a considerable proportion of the people; he wished to have it so modified as to leave it as little exceptionable as possible, and if in doing this a diminution of the sum proposed to be raised by the bill should take place, still he thought there would, according to the estimates which had been laid before the House, be a sufficient amount brought into the Public Treasury; but if there should not, he should be willing in some other way to make up the deficiency; and for this purpose Congress may have a session as early as September.

He gave notice, that in some future stage of the bill he should move to have this section re-committed.

Mr. FITZSIMONS observed, that notwithstanding all that had been offered to show that the

revenue proposed to be raised by this bill would not be wanted, he was still of opinion, that no excess of any consequence would be produced. He objected to the commutation proposed in lieu of the specific duty, and showed how disadvantageously to the revenue this would operate; with respect to a perfect definition of what is to be understood by a city, town, or village, he conceived that no possible evil would result from vesting a discretionary power with some officer of the United States, to determine what shall be understood by either of the terms.

Mr. BOUDINOT objected to any alteration in the section; he thought it sufficiently precise, and from recurring to certain authorities, he showed that these terms were sufficiently understood to preclude the necessity of burthening any officer with the task of describing and determining what number of inhabitants shall respectively constitute a city, town, or village.

Mr. LIVERMORE said, in his opinion, the terms, "city, town, or village," comprehended the whole and every part of the United States.

Mr. JACKSON observed, that as two days had been nearly spent in considering this question, and it appearing to be impossible to agree in what constituted a village, he thought it would be to no purpose to introduce any amendment to the section, but leave it to be determined by a due course of law. He supposed that questions would arise to be determined by the judicial authority of the United States. If this should not appear to be agreeable to the House, he would propose that it should be referred to the College of Physicians; those gentlemen of the squirt, who, as they had attempted to squirt morality and instruction into the minds of the members, perhaps may also be able to squirt understanding into the House on this subject.

Mr. PARKER controverted certain calculations offered by Mr. FITZSIMONS, as to the quantity of liquor which a still might make. He then entered into a general consideration of the bill, and adverting to the discontents in some of the States, and the utter aversion of many inhabitants to excises, he said he should continue his opposition to the last.

Mr. MOORE offered another modification of the section.

The question on adding the words was put and negatived.

Mr. BOUDINOT called the attention of the House to the fourth section, which authorizes the President of the United States, by the advice and consent of the Senate, to appoint such a number of officers as he may think necessary. He thought that the most, if not the only exceptionable clause of the bill. His opinion was, that the number of officers should be limited. He moved this addition to the section—"provided the number do not exceed — in any county, city, town, or village." He objected to the clause as establishing a dangerous precedent.

Mr. BLOODWORTH seconded this motion.

Mr. PARKER said, he was in favor of this mo-



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*New Revenue Bill.*

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tion, because he wished to have the number of these officers as small as possible.

Mr. BOUDINOT'S motion occasioned considerable debate. It was said, that the number of officers is virtually restricted by the compensation to be received. This allowance cannot be exceeded, so that the number of officers cannot be increased beyond what may be necessary; if they are, the President of the United States must pay them out of his own pocket, or they must receive a less sum.

It was said in answer to this, that experience shows when once the object is obtained in the appointment of these officers, ways and means will be found to pay them; in confirmation of this idea it was said, there are already two motions on the table for enhancing the compensations to the officers of the revenue.

Mr. BOUDINOT'S motion was negatived.

Several other amendments were proposed by different members, and rejected.

### WEDNESDAY, January 19.

A bill, declaring the assent of Congress to a certain act of the State of Maryland, being read a second time, was referred to a Committee of the whole.

Mr. SEDGWICK, from the committee appointed for that purpose, reported a bill, authorizing the President of the United States to cause the debt due to foreign officers, the interest whereon is now payable in Paris, at the rate of six per cent. per annum, to be paid and discharged; being read a first and second time, was referred to a Committee of the whole.

A letter from the Directors of the Library Company of Philadelphia, making an offer of the use of the books in said library to the members of both Houses of Congress, was communicated by the Speaker.

Mr. HUNTINGTON presented a memorial from the Baptist Association in the State of Connecticut, requesting the interposition of Congress to prevent incorrectness in future editions of the Bible, published in the United States; read and laid on the table.

Mr. FITZSIMONS, from the committee appointed to consider the petition of Joshua Barney, late an officer in the American navy, reported a resolution, that a committee be appointed to prepare and bring in a bill, to allow to Captain Joshua Barney, the sum of ——— dollars.

### DUTIES ON SPIRITS.

Agreeable to the order of the day, the House proceeded in the further consideration of the amendments proposed to the new Revenue Bill. A motion to recommit the bill was negatived. It was then moved to recommit the fourth section, which specifies the compensations to the Inspectors; this also was negatived. The further consideration of the bill was postponed.

### THURSDAY, January 20.

Mr. FITZSIMONS presented a memorial from the merchants of Philadelphia, trading to India

and China; praying that an additional duty may be laid on all goods imported into the United States from India or China in foreign bottoms. Referred to the Secretary of the Treasury.

A message was received from the Senate, informing this House that they have passed a bill for incorporating the subscribers to the Bank of the United States; to which they desire the concurrence of this House.

### NEW REVENUE BILL.

The House resumed the consideration of the amendments proposed to the new Revenue Bill.

An amendment was proposed by Mr. SEDGWICK, to strike out part of the fourth section, which respects the compensations to the Inspectors, and to introduce a substitute, to limit their compensations to a certain sum.

Mr. SHERMAN said, he should prefer striking out the whole clause, and passing the bill without it; and leave the compensations to be provided for in a separate bill.

Mr. GERRY proposed an amendment, which he conceived was not liable to the objections which apply to the original clause, and to the amendment at present under consideration, and which arise from their giving the President the power of establishing offices.

Mr. SEDGWICK stated certain principles of conciliation which had induced him to move the amendment now under consideration. He showed by a variety of particulars, that the services will be various, and merit in some cases a much greater compensation than in others.

Mr. AMES objected to the amendment proposed, on principles of economy, both of time and money. The time is already so exhausted that there will be scarcely sufficient in the present session, to finish the bill; and if the amendment is adopted, it will follow, that in order to make adequate provision in all cases you must, in many instances, make that compensation too much. He urged the importance of passing the law with such a power as would enable the Executive to apportion the compensations in proportion to the merits and services of the respective officers. This law is said to be obnoxious to the disapprobation of the people. It therefore becomes our duty to make the compensations such as may command the services of men of responsibility, in point of property and character; men of prudence and judgment. He conceived the power of apportioning the salaries might be left with the Supreme Executive. Nor did he conceive there was any thing in the Constitution contrary to this idea. Gentlemen have cautioned the House against exceeding the powers of the Constitution by implication; he supposed that it was equally reprehensible to refrain from exercising the full powers indisputably vested in the Legislature by the Constitution.

Mr. BOUDINOT, agreeable to the idea of Mr. SHERMAN, moved that the clause should be struck out, and leave the compensations to be provided for in a subsequent bill.

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*Duty on Spirits.*

[JAN. 21, 1911.]

This motion was seconded from various quarters, and occasioned a considerable debate.

Mr. BURKE said, he was sorry to see such a disposition in many of the members of this House to extend the powers of the Executive. The excise bill is universally odious; and gentlemen seem to be trying to render this more odious, by urging one exceptionable clause after another. He hoped this clause would be struck out, and that the Legislature would retain the power of disposing of their own money. He said, that his ideas on the subject had been called chimeras—but this was a stale trick, which had been long practised by those who are in favor of strengthening the arm of the Executive; it was always made use of in that country whose precedents we often recur to; but, for his part, no such observations should deter him from placing every possible guard round the liberties of the people, and checking the undue extension of the Executive arm.

The motion for striking out was carried—29 to 27.

A motion from Mr. CLYMER, as a substitute for the fourth section, was then read. This proposed an Inspector for each State, at a salary of — dollars per annum, with power to appoint such number of Deputy Inspectors as they may think proper; these Deputy Inspectors to receive — per cent. on the gross amount of the sums by them respectively collected.

Mr. SEDGWICK proposed that this motion should be referred to a Select Committee, with other motions now on the table.

Mr. VINING was opposed to referring it to a Select Committee. He said the consequence of a reference would be an unnecessary prolongation of the business. He thought it might as well be taken up and decided upon at the present time as any.

Mr. LAWRENCE was in favor of referring this motion to a Select Committee.

The SPEAKER observing that it would not be in order to commit this motion, except in connexion with the whole clause, Mr. CLYMER withdrew it for the present.

Mr. LEE then moved, that the bill should be recommitted for the purpose of bringing in a clause devising a proper mode of collecting the revenue.

Mr. LIVERMORE seconded the motion, and in a few general remarks condemned the bill altogether.

Mr. STONE also spoke against the bill, and in support of the motion for a recommitment.

Mr. GERRY objected to the motion, especially as it was contemplated to make an arrangement by which the duties of the officers of the revenue, already established, are to be blended with those of the officers to be appointed by this law; this would deprive the Government of that check which it has in view by this bill.

Mr. LIVERMORE said, that he did not conceive there was any thing like an excise contemplated by the bill. The duty proposed on

spirits is a mere duty of impost. As to checks, he did not think any additional ones were necessary. If the officers already appointed to collect the revenue are not sufficient for that purpose, let them be increased; but as to any further checks he considered them altogether superfluous. It is acknowledged, said he, on all hands, that the patriotism and punctuality of the importers has been such as to produce a very strict compliance with the revenue laws.

Mr. GERRY read several clauses in the bill, to show that it was something more than a mere impost law.

Mr. GILES said, he hoped the bill would not be precipitated; there are a number of propositions on the table calculated to amend the several defects it contains, he therefore hoped the bill would be recommitted for the purpose of amending those defects. He fully objected to sending the bill up to the Senate in a confessedly imperfect state, and hoped no such precedent would ever receive the sanction of the House, especially in a money bill.

Mr. SEDGWICK called the attention of the House to the process of this business; much time was spent in the discussion of it last session; we are now past the middle of the present; more than three weeks have already been spent in the business, and now, at this late period, gentlemen come forward with propositions that strike at the very principles of the bill. He hoped no such motion would take place.

Mr. VINING objected to a recommitment for general purposes.

The question on recommitting generally was lost—30 to 27.

A motion was then made for recommitting for a particular purpose, which was lost—24 to 33.

FRIDAY, January 21.

#### BANK OF THE UNITED STATES.

The act to incorporate the subscribers to the Bank of the United States, received from the Senate yesterday, was read the first and second time, and referred to a Committee of the whole House on Wednesday next.

#### NEW REVENUE BILL.

Mr. SEDGWICK moved for a committee to bring in a bill to provide for the compensation of the Inspectors of the duties on distilled spirits. The motion was agreed to, and a committee, consisting of Messrs. SEDGWICK, MADISON, and LAWRENCE, was appointed.

A message was received from the Senate, informing the House that they have concurred in the vote of the House, in appointing a committee, on their part, to consider and report a time for the commencement of the next Congress.

#### DUTY ON SPIRITS.

The House resumed the consideration of the new Revenue Bill.

Mr. JACKSON proposed an amendment, by adding a clause to prevent Inspectors, or any

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*Duty on Spirits.*

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officers under them, from interfering, either directly or indirectly, in elections, further than giving their own votes, on penalty of forfeiting their offices.

This being seconded,

Mr. SHERMAN said, he should propose an addition to the amendment, and that was to extend the prohibition to every other person whatever. He supposed that to practise the arts of electioneering would be as criminal in persons in general as in the officers of the revenue; but if any provision is necessary in the case, he thought it might be made in some other bill.

Mr. LIVERMORE approved the motion. These officers, said he, will hold their places under the Government, and, from the duties assigned them, will acquire such a knowledge of persons and characters, as will give them great advantages, and enable them to influence elections to a great degree. He thought the proposition important, and merited the attention of the House.

Mr. VINING observed, that the motion went to disfranchise a great number of citizens of the rights of suffrage. It appeared to him, also, to be unconstitutional, as it will deprive them of speaking and writing their minds; a right of which no law can divest them. He offered some observations on the eligibility of the duty now contemplated, in preference to direct taxes; and then urged the bad policy of rendering the law odious, by fixing a stigma on the officers appointed to execute it.

Mr. JACKSON replied to the observations against his motion. He said the experience of Great Britain showed the propriety of the prohibition. He read a section from a law passed in the reign of William and Mary on this subject. A law was found necessary in that country to prevent the interference of excise-officers in elections, though the excise law then in existence was only for ten years, and that now before us is a perpetual law; for it is to exist till the whole State debts are extinguished. He denied that it was a disfranchisement of the citizens; they will have the same right to vote at elections as other citizens; it only goes to defining an offence, which may be of pernicious consequence. Did I consider it as depriving the citizens of the rights of suffrage, I would be the last to vote for it. He adverted particularly to the dangerous influence that some future Presidents would acquire, by virtue of the power which he will possess of removing these officers. He read some clauses from the British Excise Law, to show its resemblance to the law now under consideration. He added some strictures on the bill, and regretted that it had not been recommitted; but to render it less odious and mischievous he strongly urged the necessity of the section he had proposed.

Mr. BENSON said, there appeared to him to be an absurdity to say a man shall forfeit an office which he holds during pleasure.

Mr. GERRY objected to the motion, because he thought it did not go far enough; it ought to

extend to all other revenue officers. He gave a short account of the nature of Civil Government; no form, said he, is stationary, they are always verging either to Democracy or Monarchy, or to Aristocracy and Despotism. From hence, he drew an influence favorable to a provision which should tend to abate and lessen the influence of the Executive power in certain cases.

Mr. AMES objected to the motion. He said, the circumstances of this country and Great Britain were not similar. That country is without a Constitution; the United States are blessed with one, which defines the rights of the electors and the elected; rights of which they cannot be deprived. The law which the gentleman referred to was not passed till the abuses it was intended to remedy had arisen to an enormous height. If ever there should be a necessity for a similar law in this country, which he by no means expected, it will then be time enough to make the regulation; but this clause will muzzle the mouths of freemen, and take away the use of their reason.

Mr. BLOODWORTH replied to Mr. AMES. He observed, that corruptions had taken place; elections have been influenced, and human nature being the same the same evils are to be expected. He thought it would be best to prevent the evil if possible by enacting a law in season, and not wait till the mischief is done.

Mr. SENEY was in favor of the clause. He thought it would be a salutary provision, and no infringement on the rights of the people, as it would be optional to accept the offices or not, with this restriction.

Mr. STONE was in favor of the motion. He observed, that it was a painful consideration that a number of citizens should be disfranchised, and deprived of their reason and speech, but this is a dilemma to which we shall be reduced by means of this excise law; we must either deprive the excise officers of this privilege of interfering or give up the freedom of elections.

Mr. VINING controverted the oft repeated observation, that there was an analogy between the two countries, Great Britain and America. He urged an acceleration of the bill; delays he thought did not produce conviction, they only serve to inflame; he hoped the clause would not be agreed to, nor the bill recommitted.

Mr. LAWRENCE was sorry that there were so many impediments thrown in the way of this bill. He could wish that the clause might be deferred, and made the subject of a separate discussion. He objected to it as not extensive enough. It ought to include all the officers of the Government. At present, he should waive any further remarks, but hoped the motion would not be agreed to at this time, but wished that the bill might be finished.

Mr. SEDGWICK opposed the motion. He said, the natural tendency would be to render the law odious; to deprive the Government of the services of the best men in our country. Let me ask gentlemen, if they, or any of their

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connexions, would accept an appointment under this law, with such an exceptionable clause in it? He observed on the total difference in the circumstances of this country and those of Great Britain; and asked, shall we transplant the corrupt maxims of that country to this? I hope we shall not.

Mr. GERRY replied to the several objections which had been offered against the motion. It will be too late, said he, when the evil takes place to apply the remedy. The President will then have it in his power to influence the elections in such manner as to procure a Legislature that would not consent to a law for applying a remedy.

Mr. AMES reproached the motion in very pointed terms, as impolitic in respect to the law, as repugnant to the Constitution, and as degrading to human nature. Besides, he observed, that it was nugatory in itself, because it goes to deprive the citizens of an unalienable right, which you cannot take from them, nor can they divest themselves of it.

Mr. JACKSON made a short reply to Mr. AMES. He observed, that he had always supposed that the English nation possessed a Constitution, and that the violation of the freedom of elections was the greatest infringement on that Constitution.

Mr. SHERMAN observed, that this motion went to create a positive offence. He said he could not conceive any reason why this offence should be chargeable on one description of officers only; he thought it ought to go through, and include every class. He replied to the several objections arising from the influence of the President; and observed, that fixing such a stigma would oblige the President to appoint mean and ordinary characters—characters fit to make tools of; for persons of credit and respectability will not accept of appointments under such a disqualification.

The question was determined in the negative, the yeas and nays being as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Floyd, Gerry, Grout, Hathorn, Heister, Jackson, Livermore, Matthews, Moore, Parker, Rensselaer, Seney, Sylvester, Stone, Tucker, and White.—21.

NAYS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Carroll, Clymer, Fitzsimons, Foster, Gale, Gilman, Goodhue, Griffin, Giles, Hartley, Huntington, Lawrence, Lee, Leonard, Madison, P. Muhlenberg, Schureman, Scott, Sedgwick, Sevier, Sherman, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Steele, Sturges, Thatcher, Trumbull, Vining, Wadsworth, Williamson, and Wynkoop.—37.

SATURDAY, January 22.

DUTY ON SPIRITS.

The House resumed the consideration of the new Revenue Bill.

An additional section was proposed, pointing out the purposes to which the revenue raised

by the act should be applied. This was superseded by a motion to recommit the bill, which was lost.

Several amendments were offered to that section, which underwent some discussion, but were postponed for further consideration.

MONDAY, January 24.

Mr. HEISTER presented a memorial and remonstrance from a number of the citizens of Philadelphia, against Excise Laws, and particularly against the bill now pending in the House, laying duties on distilled spirits.

Read, and laid on the table.

The following messages were received from the President of the United States:

UNITED STATES, January 24, 1791.

*Gentlemen of the Senate  
and House of Representatives:*

I lay before you a statement, relative to the frontiers of the United States, which has been submitted to me by the Secretary for the Department of War.

I rely upon your wisdom to make such arrangements as may be essential for the preservation of good order, and the effectual protection of the frontiers.

GEO. WASHINGTON.

UNITED STATES, January 24, 1791.

*Gentlemen of the Senate  
and House of Representatives:*

In execution of the powers with which Congress were pleased to invest me, by their act, entitled "An act for establishing the temporary and permanent seat of the Government of the United States," and on mature consideration of the advantages and disadvantages of the several positions, within the limits prescribed by the said act, I have, by a Proclamation, bearing date this day, a copy of which is herewith transmitted, directed Commissioners, appointed in pursuance of the act, to survey and limit a part of the territory of ten miles square, on both sides of the river Potomac, so as to comprehend Georgetown in Maryland, and to extend to the Eastern Branch.

I have not, by this first act, given to the said territory the whole extent of which it is susceptible, in the direction of the river; because I thought it important that Congress should have an opportunity of considering whether, by an amendatory law, they would authorize the location of the residue of the lower end of the present, so as to comprehend the Eastern Branch itself, and some of the country on its lower side in the State of Maryland, and the town of Alexandria, in Virginia. If, however, they are of opinion that the Federal Territory should be bounded by the water-edge of the Eastern Branch, the location of the residue will be to be made at the upper end of what is now directed.

I have thought best to await a survey of the territory, before it is decided on what particular spot, on the Northeastern side of the river, the public buildings shall be erected.

GEO. WASHINGTON.

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## DUTY ON SPIRITS.

The House then resumed the consideration of the new Revenue Bill.

Mr. TUCKER proposed a clause to limit the duration of the bill. He urged this motion from consideration of the security it would afford to the people, that the duties and burthens would not be continued after the necessity of their being laid should cease. He observed, that a future House might agree to renew the law, or to originate a new one; nor did he conceive that the creditors of the United States would be placed in a worse situation with this limitation than without it; for a House that would refuse to renew the act, or originate a new one, on a principle of justice to the creditors, would not hesitate to repeal this law.

Mr. SHERMAN observed, that a clause already agreed to supersedes the necessity of this amendment. That clause expressly provides, that other duties or taxes, of equal value, may be substituted, in case the present should prove burthensome or inconvenient.

Mr. JACKSON supported the motion. He observed, that it was the indispensable duty of this House to keep the purse-strings in their hands; for his part, he never would consent to a perpetual law, which in its operations might prove odious to the people; and he maintained that this law would be perpetual, inasmuch as it was to be commensurate with the debt of the United States. He urged the adoption of a limiting clause from a variety of considerations.

Mr. LAWRENCE objected to the motion. He said, it not only interfered with the acts already passed, making provision for the public debt, and which have express reference to part of the duties contemplated by this bill, but it also contravenes the clause which makes it optional with the United States to substitute other taxes in lieu of those proposed to be raised by this bill.

Mr. GERRY objected to the proposition of Mr. TUCKER, on similar principles with Mr. LAWRENCE. He added, that it would prove a violation of the public faith, inasmuch as it would make part of the provision temporary, whereas the honor of the Government is pledged to provide those funds that are permanent. Mr. G. enlarged on the importance and sacredness of the public faith, observing, that it had already been sufficiently trifled with; he hoped more consistency would mark the public councils in future.

Mr. GILES thought the provision proposed, or something similar, so important, that he should think himself deficient in duty if he did not offer some observations on it. He denied the motion violated the funding system; but if it did, he should prefer such violation to a violation of the Constitution. He read a clause from the funding system, and said the terms "permanent funds" meant established, fixed funds, such as Congress may hereafter deem necessary; it could not mean that Congress are not at liberty to vary these funds at pleasure, provided they are always made competent.

Will gentlemen say that the system is so sacred that it can never be touched? He inquired, if in its operation any system is found to be contrary to the Constitution, ought it to be held sacred? He then adverted to the impression under which the Constitution had been adopted, and said, that if the people had then supposed that they subjected themselves by it to perpetual burthens, which could never be controlled by the Representatives of the People, not one in a hundred would ever have consented to its adoption. He asked, on what is the public faith founded? Is it founded on the fiscal regulations of this House? Is it founded on the funding system? I hope not. It is founded, sir, on the integrity of the United States, and their ability to pay their debts. He was afraid there was too great a sympathy with the public creditors in the House; such a sympathy as did not properly combine with it the interests and feelings of the people at a distance. He considered the power of regulating the resources of the United States, as at present situated, properly lodged; and he trusted it would not be delegated to any other body whatever. I hope, said he, we shall not arm the Executive with the golden nerve of the United States. He considered the Executive as possessing already the necessary powers; he wished they might not be extended; much less could he consent that the funding system should be superior to the Constitution of the United States.

Mr. LAWRENCE, advertent to the Constitution, specified the powers thereby vested in the Legislature of the United States; they are empowered to lay excises, imposts, and other taxes. He wished gentlemen would be explicit when they taxed others with a design to violate the Constitution. He had read the Constitution, perhaps not so much as the gentleman from Virginia, still he had read it sufficiently to convince him that nothing in the funding system, nor in the bill now before the House, was contrary thereto. He then adverted to the proposition of limiting the present bill, and said that it must appear to be a palpable violation of the public faith as pledged by the funding system. It goes to converting not only the present fund into a temporary one, but also converts part of that which is now a permanent fund into a temporary one. He then adverted to the observation which tended to affix a stigma of odium on the bill. He remarked on the subject of taxes generally, and said, there never was such a thing as a popular tax, strictly speaking; still the people submitted to them on principles of patriotism, and when it was said that the people are pleased with any particular mode of taxation, it only means that some are less exceptionable than others; this he conceived to be the case in the present instance.

Mr. JACKSON, advertent to the bill, said, that the clause which empowers Congress to substitute new taxes in lieu of the excise, plainly shows that this bill is not a permanent bill. The proposition is therefore no violation of any

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principle in the bill, it is merely declaratory of what is fairly implied in the above clause.

Mr. HEISTER was in favor of the limitation.

Mr. BLOODWORTH said, he had seconded the motion with a view that if the bill should not prove agreeable to the people other measures may be adopted. Suppose the people should not consent to the law, is one part of the people to be marched against another? It will be in vain for us to pass a law that shall be opposed to the popular prejudices; gentlemen talk of the bill's being agreeable to the people; his experience taught him very differently; no system could be devised more odious to the people of the Southern States.

Mr. GERRY further opposed the motion.

Mr. TUCKER rose to obviate some of the objections which had been offered to his motion. If the operation of it went to repeal any part of the funding law, he was content to have it altered so as to avoid that consequence. He then entered into a particular reply to the several objections which had been offered. He invalidated that which arose from the danger of trusting a future Congress, by instancing the situation of the deferred part of the debt, which is left entirely to the integrity of a future Congress. That the public creditors do not consider the perpetuity of the law making provision for the public debt as of any superior consequence, is evident from the increasing value of the deferred debt.

Mr. STONE said, the motion would counteract the clause in the funding system which had appropriated the duty on rum as a permanent fund. He had been opposed to the United States pledging their faith for the payment of their debts; he was for a more dignified mode of procedure, but as the Legislature had thought proper to provide a permanent fund in one instance, he thought it proper they should do it in another; and with respect to excise, if that is the best possible resource for paying the interest on the assumed debt, it ought to be continued on the same principle till the object is obtained.

Mr. SHERMAN offered a few observations against the motion.

Mr. SENEY spoke in its favor, and proposed a modification of it to avoid the objection of its interfering with the funding system.

The question was taken on the original motion and lost—39 to 19.

The yeas and nays were as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Giles, Hartley, Heister, Jackson, Matthews, Moore, P. Muhlenberg, Parker, Scott, Seney, Sevier, Steele, Tucker, and Williamson.—19.

NAYS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Clymer, Fitzsimons, Floyd, Foster, Gerry, Gilman, Goodhue, Griffin, Grout, Hathorn, Huntington, Lawrence, Lee, Livermore, Leonard, Madison, Partridge, Rensselaer, Schureman, Sedgwick, Sherman, Sylvester, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Stone, Sturges, Thatcher, Trumbull, Vining, Wadsworth, White, and Wynkoop.—39.

TUESDAY, January 25.

EVIDENCES OF PUBLIC DEBT.

Mr. LAWRENCE, from the committee to whom was referred the bill directing the mode in which evidences of the debt of the United States which may be lost or destroyed shall be renewed, presented an amendatory bill; which was twice read, and committed.

DUTY ON SPIRITS.

The House resumed the consideration of the new Revenue Bill. After spending some further time upon it, the question of ordering it to be engrossed for a third reading was carried by yeas and nays, as follows:

YEAS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Carroll, Clymer, Fitzsimons, Floyd, Foster, Gale, Gerry, Gilman, Goodhue, Grout, Huntington, Lawrence, Lee, Leonard, Livermore, Madison, Partridge, Schureman, Scott, Sedgwick, Sherman, Sylvester, Sinnickson, Sturges, Thatcher, Trumbull, Vining, Wadsworth, White, and Wynkoop.—35.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Griffin, Giles, Hathorn, Hartley, Heister, Jackson, Matthews, P. Muhlenberg, Parker, Rensselaer, Seney, Sevier, Steele, Stone, and Tucker.—20.

COMMENCEMENT OF NEXT CONGRESS.

Mr. TUCKER, from the Joint Committee appointed to consider and report the time for the commencement of the next Congress, brought in a report, which is in substance that the business now before Congress may be finished by the 4th of March, and that it will not be necessary for the new Congress to commence immediately after; but the Joint Committee could not agree as to the precise time, when their first session should begin.

WEDNESDAY, January 26.

COMPENSATION TO WIDOWS, &amp;c.

Ordered, That Messrs. SMITH, (of S. C.) STONE, and TRUMBULL, be a committee to bring in a bill for making compensation to widows, orphans, and invalids, in certain cases.

APPROPRIATION BILL.

And that Messrs. LAWRENCE, CLYMER, and BOUDINOT be a committee to bring in a bill making appropriations for the service of the current year.

NORTH CAROLINA.

The House proceeded to consider the Report of the committee to whom was referred the petitions of the merchants of Wilmington and Fayetteville, and said Report, which recommended that a bill be brought in to repeal so much of the act in relation to the Judiciary as relates to holding the District and Circuit Courts in Newbern only.

DR. FRANKLIN.

A message was received from the President of the United States, accompanied with a letter



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addressed to him by the President of the National Assembly of France, and of a decree of that Assembly on the death of Dr. FRANKLIN.  
[For copies of which see the Appendix.]

THURSDAY, January 27.

## QUAKERS' MEMORIAL.

Mr. BOURNE presented the address and memorial of the people called Quakers, in the State of Rhode Island, respecting certain parts of the militia bill.

## MARINE HOSPITALS.

Mr. PARKER gave notice, that he should, tomorrow, move that a committee be appointed to bring in a bill for the general establishment of Marine Hospitals in the United States.

## SOUTHERN FRONTIERS.

The following message was received from the President of the United States:

UNITED STATES, January 27, 1791.

*Gentlemen of the Senate  
and House of Representatives:*

In order that you may be fully informed of the situation of the frontiers, and the prospects of hostility in that quarter, I lay before you the intelligence of some recent depredations, received since my message to you upon this subject of the 24th instant.

GEO. WASHINGTON.

A message from the Senate informed the House, that they have passed a bill concerning Consuls and Vice Consuls. Also, communicating sundry papers, referred to in the message of the President of the United States. The papers were read; viz: A letter from General Putnam to the President of the United States, dated at Marietta, January 8, containing an account of an attack, the 2d instant, on Big Bottom, a settlement about forty miles up the river, in which fourteen persons were killed, and three taken prisoners; a letter from the same person to General Knox, and a letter from Captain David Zeigler to Governor St. Clair, corroborative of the above account.

These papers were referred to the committee appointed yesterday on the message from the President of the United States.

The engrossed bill, repealing, after the last day of June next, the duties heretofore laid on distilled spirits imported from abroad, and laying others in their stead, and also upon spirits distilled within the United States, and for appropriating the same, was passed by a majority of fourteen.

The yeas and nays being called for, were as follows:

YEAS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Carroll, Clymer, Fitzsimons, Floyd, Foster, Gerry, Gilman, Goodhue, Griffin, Grout, Huntington, Lawrence, Lee, Leonard, Livermore, Madison, Partridge, Schureman, Sedgwick, Sherman, Sylvester, Sinnickson, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Vining, Wadsworth, White, and Wynkoop.—35.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Giles, Hartley, Hathorn, Heister, Jackson, Matthews, Moore, Muhlenberg, Parker, Van Rensselaer, Seney, Smith, of Maryland, Steele, Stone, Tucker, and Williamson.—21.

FRIDAY, January 28.

The bill sent from the Senate, concerning Consuls and Vice Consuls, was twice read and committed.

Mr. HEISTER presented a petition from the public creditors holding loan-office certificates for money lent to the United States to carry on the late war, representing the insufficiency of the provision for the public creditors made by the act of the last session, and praying that more adequate provision may be made.

Mr. AMES laid the following motion on the table:

That the Secretary of the Treasury be directed to report, whether it is necessary that any provision should be made by law respecting the new emission money.

## REPORT ON H. LAURENS' CASE.

Mr. SMITH (of S. C.) brought in a Report on the petition of Henry Laurens, which was against granting the prayer of the petition; laid on the table.

## REPORT ON CHURCHMAN'S PETITION.

The Report on the petition of John Churchman was taken into consideration; the first part of the Report respected furnishing him with money to prosecute his discoveries by a voyage to Baffin's Bay. On this part of the memorial, the committee offered no opinion. A motion being made to take the sense of the House, whether he should be furnished with a sum of money for this purpose, the question being put, it passed in the negative.

On the other part of the Report which respects the enhancement of the penalty for counterfeiting or copying original charts, a committee was appointed to bring in a bill to make provision for that purpose.

## REPORT ON THE MINT.

The SPEAKER communicated to the House a Report of the Secretary of the Treasury, on the subject of the establishment of a Mint; which was ordered to be printed.

## KENTUCKY.

On motion of Mr. BROWN, the House resolved itself into a Committee of the whole, and took into consideration the bill providing for the admission of Kentucky into the Union, Mr. BOURNEMOT in the chair. The Chairman reported the bill to the House without amendment, and, on motion, it was read the third time, and passed.

## NEXT MEETING OF CONGRESS.

The House took into consideration the Report of the Joint Committee in respect to the time when the next Congress shall commence its session.

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*Post-Office and Post Roads.*

[JAN. 31, 1791.]

The House, after some debate, agreed to the Report: the first part of which states that it will not be necessary for the new Congress to commence its session immediately after the fourth of March.

The second part of the Report proposes that the time for the annual meeting of Congress should be altered; a committee consisting of Messrs. TUCKER, LEE, and PARTRIDGE was appointed to report a bill for that purpose.

## MARYLAND.

In Committee of the whole on the bill declaring the assent of Congress to a certain act of the State of Maryland, some amendments being agreed to by the committee, the bill was reported to the House, and ordered to be engrossed for a third reading.

## CERTIFICATES.

A motion made by Mr. TUCKER, respecting provision to be made for subscribing, agreeable to the funding system, certain certificates issued in lieu of others, in several of the States, subsequent to the first of January, 1790, was referred to the Secretary of the Treasury.

MONDAY, January 31.

BENJAMIN CONTEE, from Maryland, appeared and took his seat.

## MARYLAND.

The engrossed bill declaring the consent of Congress to a certain act of the State of Maryland, was read the third time, and passed; to continue in force one year.

## APPROPRIATION BILL.

Mr. LAWRENCE, from the committee appointed for that purpose, reported a bill making appropriations for the year 1791, which received its first reading.

A motion being made to go into a Committee of the whole on the Bank Bill as the order of the day, the same was objected to; it was contended that the Militia Bill was of more immediate importance, when the necessity of making speedy provision for the relief and protection of the frontiers was taken into view. In answer it was said that a committee was nearly ready to report on this subject, and that more speedy and effectual relief to the inhabitants of the frontiers was contemplated than could possibly be derived from the militia bill.

The objections to the motion were overruled, by the question's being determined in its favor, thirty-five members rising in the affirmative. The House accordingly, in Committee of the whole, took the Bank Bill into consideration, Mr. BOUDINOT in the chair.

The bill was read in paragraphs; and no amendments being offered, the Chairman reported it to the House, who voted that it should be read the third time to-morrow.

Mr. BOUDINOT moved the following resolution:

That during the residue of the present session, no debate should be admitted on the question for taking up the order of the day.

Laid on the table.

## POST-OFFICES AND POST ROADS.

The House resolved itself into a Committee of the whole on the bill for establishing the Post-office and Post roads of the United States, Mr. BOUDINOT in the chair.

Mr. STEELE moved to expunge the second section, for the purpose of introducing another as an amendment; in substance,

That the most direct route from Wiscasset, in the District of Maine, to Savannah, in the State of Georgia, be established as a post road; and that the President of the United States be empowered to establish cross post roads, where they shall appear to him necessary.

He observed, that upon the present establishment of the principal post-road, a considerable and populous part of North Carolina derived no advantage from the establishment, and the sea-coast exclusively enjoyed the benefit of a regular and speedy conveyance for their correspondences, and thus the agricultural interest was sacrificed to the commercial.

In the last session, it was true, he had been of opinion, that a discretionary power, which by his amendment was proposed to be left with the President, should not be given to him; not that he thought it unconstitutional, but because he then conceived the Representatives, from their collected local information, better able to determine in what parts of the country posts would be required: but the Senate did not concur with the House in exercising that power, and a change of circumstances required a change of measures; the President, by a tour to the Southward, he said, could collect the necessary information whereon to found proper regulations in that quarter.

Mr. WILLIAMSON opposed the amendment offered by his colleague. The object of an established post was not to afford the most speedy conveyance, by the straightest line between two distant places; but to accommodate on the route as many persons desirous of writing as possible. If the post was obliged to travel by the straightest road the sea-ports would be cut off from the advantage of a public mail; and it is a fact, that the mercantile interest principally supports the establishment. The post, to be as beneficial as possible to the community, and as profitable to Government, should pass through as many towns as practicable; by journeying through the interior parts of North Carolina, these ends would not be answered, as letter-writers there will not be found to be numerous. Upon the present establishment, he said, the profits of the post-offices in the State of North Carolina were not more than one-fourth of the expense; but if the proposed amendment was adopted, he was of opinion they would not pay more than a tenth part.

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Mr. BLOODWORTH was in favor of the motion.

Mr. STEELE said, he was satisfied with the route followed by the post as far as Petersburg; but he objected to its returning thence to the Eastward, as if to avoid the State of North Carolina, taking a circular, hazardous, and unprofitable route. The merchants had water conveyance at hand from Petersburg to Georgia, and generally preferred it, as more expeditious than the post. If the excise bill passed, he conceived there would be an additional necessity for a communication with the interior country by means of a regular post, if any revenue was to be collected from distilleries dispersed throughout the State of North Carolina. Under the present regulations, the inhabitants of the interior and populous part of that State received no regular information of the proceedings at the seat of the General Government, and other useful intelligence, but from the direct communications of their Delegates in Congress. In support of his opinion, he also mentioned the desire expressed by the Legislature of his State that a change of route should take place. He was sorry to find his honorable colleague opposed to his amendment; but for his own part, even if he was to torture his invention, he could not, he thought, contrive a more absurd and improper road than that now followed by the post. He assured the House he was no ways influenced by private interest in offering the amendment he had proposed.

Mr. PARKER objected to the amendment. If a change of route took place, those now benefited by the post he conceived would be offended, and those in whose favor the amendment was proposed not materially benefited by the alteration. It would be injuring all the sea-port towns of North Carolina and Virginia, to give an advantage to the interior parts of the former, of which, in their present circumstances, they would make but little use. If the amendment took place, a very small portion of Maryland would feel the benefit of the establishment. He was willing that channels of information from the seat of the General Government should be opened for the advantage of the interior parts of North Carolina, but not so as to injure the interests of other States.

Mr. SHERMAN mentioned that the disagreement of the two Houses on this paragraph had occasioned the loss of the bill last session. The House of Representatives wished to specify the several routes, and the Senate thought the President of the United States and Postmaster General had a constitutional right to exercise that power, and that Congress had no authority to interfere.

The present post-roads, he said, were established from long experience. He still thought the House was able to enter into the detail of the business. He saw one great objection to leaving it with the President. It was scarcely possible to give universal satisfaction, and constant application would consume much of his time.

Mr. TUCKER adverted to the pains which the House had taken, during the last session, to specify in the bill the different routes in which it appeared necessary for the post to travel; but, unfortunately, their labors had been rendered useless by the non-concurrence of the Senate. However, he wished a similar clause again introduced in the bill, hoping that the Senate would now be differently disposed. He said, that the ideas of particular States, respecting alterations in the post-road, ought not to be disregarded. He was firmly of opinion, that it should pass through the most populous parts: though the inhabitants of those parts had not at present many correspondents, yet if a regular conveyance was offered them, they would, in a short time, acquire the habit of writing; and though at first the profits to Government might, by the change proposed in the post-road, be diminished, yet by degrees they would increase, and in the end become greater than before the alteration. He could wish, therefore, that the clause which had been before agreed to, and was now left out, might be inserted in the bill; but as he had not the bill at hand, he would move a clause respecting the State of South Carolina, and such propositions as should be moved by other gentlemen, on similar principles, he would give his assent to. He moved that the general route should be from Wiscasset to Augusta, the seat of Government in Georgia; from thence to Savannah; and by cross-posts to the seat of Government in South Carolina, and so in each State, in cases where the seat of Government is out of the direct road.

Mr. WILLIAMSON remarked, that no one knew which was the direct road; if the gentleman who had proposed the amendment would point out its course, members would then be enabled to judge of the propriety of it, but not before. With respect to the excise, and the necessity of interior posts on that account, he observed, that though some considerable revenue might be expected from that source, yet, in his opinion, the Treasury of the Union would still receive more augmentation from the duties collected on imported spirits, in the ports of entry, through which, for that reason, he conceived the post ought still to pass. If it took its direction through the interior parts of North Carolina, four of those ports out of five would be out of the post-road, and the fifth at a distance of forty miles further than before. Besides the duties on spirits, those on other goods amounted to a sum by no means trifling, and for the collection of which a direct and regular communication between them and the seat of the General Government was requisite. He mentioned the necessity of giving the merchant regular opportunities to write for insurance, as an additional argument against the amendment.

Mr. JACKSON said, that if any revenue was to be derived from the post-office it would be from the commercial and not the agricultural parts of the States. He was against the amendment.

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He wished matters could be so arranged as to give Augusta, in Georgia, the advantage of the public mail, by establishing a post-road to that place, but thought the post should go first to Savannah, and from thence to Augusta.

Mr. TUCKER's motion was disagreed to.

Mr. BLOODWORTH spoke in favor of Mr. STEELE's amendment. He said, he had no idea of stopping the communications with the seaports. He supposed that provision would be made for their accommodation; and, in this view, he conceived there was no impropriety in opening the communication in the most direct manner with the interior country. He urged the necessity of giving the people every advantage to acquire information.

Mr. SHERMAN wished a limitation to the power of establishing cross-roads; that such only should be established as should defray their own expenses.

Mr. BOURNE was against the amendment as it stood; it would tend to render a number of good post-roads almost useless. He hoped, as an amendment to the proposition before the House, that a sentence would be added to make it read thus: "That the most direct roads from Wiscasset, in the District of Maine, to Savannah, in Georgia, and those now used as post-roads, be established as such."

Mr. HARTLEY feared the House would not find time this session to enter into the minutiae of the establishment, and wished a temporary discretionary power given in the business to the President of the United States, and the Postmaster General, after having fixed that the main road should remain as heretofore established. However, he proposed that the power be not granted without a limitation. He thought no part of the revenue of the United States, other than that derived from the post-office, should by them be touched for the establishment of posts. He wished also this power granted for a limited time.

Mr. BALDWIN moved that the post-road should be extended from Savannah to Augusta, in the State of Georgia. He observed, that it was a duty which the Government owed to the parts of which it was composed, to provide at least some channel of communication to them; that hitherto the post had only crossed the river from Carolina; barely landed in the State of Georgia, and returned; that the seat of the Government in that State is one hundred and twenty miles from that place inland, and all communication with it for that distance depends entirely on contingency. The operation of this Government will prove, that the distant extremes of the Union, remote from the warm and vivifying influences of the Government, will have a sufficiently hard lot. And is it to be thought best that no way should be provided to communicate any information to them? That ignorance may be a soporific to prevent a sense of their situation? He was obliged to add, that great provision had long been made on one extreme of the Union, and none at all for the

other. Did the post only cross the river into the District of Maine, and return immediately, their situations would be somewhat similar; but the post-road there had been several years extended to Portland, which is sixty miles within the District; and in the year 1788, it was extended eighty miles further, to Pownalborough; not in order to go to the seat of Government, for it is not a State, and the return will show that it could not be for the sake of the revenue.

The present clause in the bill provides for continuing the post to the same place. He relied on the justice of the House, that his motion would prevail, and that the post-road would be extended to Augusta.

Some other alterations to Mr. STEELE's proposition were offered; all of which were negatived, as was the original motion.

TUESDAY, February 1.

The bill making appropriations for the support of Government for the year 1791 was read the second time, and ordered to be engrossed for a third reading.

#### BANK OF THE UNITED STATES.

The bill sent from the Senate, to incorporate the subscribers to the Bank of the United States, was read the third time; and the question being on the passage of the bill,

Mr. SMITH (of S. C.) observed, that the bill being taken up rather unexpectedly yesterday, gentlemen did not appear prepared to discuss the subject. It therefore was suffered to be read in Committee of the whole, and passed to the third reading, in his opinion, rather informally; as the members were thereby deprived of giving their sentiments in the usual manner on a bill of the greatest importance. He thought it susceptible of various amendments. [The SPEAKER having observed, that the bill, agreeably to the rules of the House, could not be amended without being recommitted,] Mr. S. moved, that the bill should be recommitted, for the purpose of making sundry alterations, and removing objections which he thought the bill liable to. He then enumerated several objections. Those who are to receive the subscriptions, he said, by the bill are not obliged to give any bonds for their fidelity. He thought the clause which excludes foreigners from voting by proxy exceptionable; and the time in which subscriptions are to be received, he thought too contracted.

Mr. JACKSON said, he was in favor of the motion for a recommitment; but not for the reasons offered by the gentleman from South Carolina. He was opposed to the principle of the bill altogether. He then adverted to the situation of the United States, and observed, that it was so different from that of Great Britain, at the time the Bank was established in that country, that no reason in favor of the institution can be deduced from thence. He adverted to the arguments arising from the facility which Banks afford of anticipating the public resour-

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ces in cases of emergency. This idea of anticipations he reprobated, as tending to involve the country in debt, and an endless labyrinth of perplexities. This plan of a National Bank, said he, is calculated to benefit a small part of the United States, the mercantile interest only; the farmers, the yeomanry, will derive no advantage from it; as the bank bills will not circulate to the extremities of the Union. He said, he had never seen a bank bill in the State of Georgia, nor will they ever benefit the farmers of that State, or of New Hampshire. He urged that there was no necessity for instituting a new Bank. There is one already established in this city, under the style of the Bank of North America. This proposed institution is an infringement of the charter of that Bank, which cannot be justified. He urged the unconstitutionality of the plan; called it a monopoly; such a one as contravenes the spirit of the Constitution; a monopoly of a very extraordinary nature; a monopoly of the public moneys for the benefit of the corporation to be created. He then read several passages from the *Federalist*, which he said were directly contrary to the assumption of the power proposed by the bill. He hoped, therefore, that it would be recommitment; and he could not help hoping also, that it would be deferred to the next session.

Mr. LAWRENCE observed, that the friends of the institution proposed had been unjustly charged with precipitating the bill; but, he said, it had been long in the hands of the members; they have had time to consider it; the usual forms have been observed in its progress thus far; and if those who are opposed to the bill did not see proper to come forward with their objections, it surely is their own fault, and the advocates of the bill are not justly chargeable with precipitancy. He then particularly replied to the objections offered by Mr. SMITH, of South Carolina; and after considering them, said, that those objections did not, in his opinion, constitute sufficient reason to induce a recommitment of the bill. He then noticed the constitutional objections of Mr. JACKSON, and said, the Government of the United States is vested by the Constitution with a power of borrowing money; and in pursuance of this idea, they have a right to create a capital, by which they may, with greater facility, carry the power of borrowing on any emergency into effect. Under the late Confederation, the Pennsylvania Bank, called the Bank of North America, was instituted. He presumed that it will not be controverted, that the present Government is vested with powers equal to those of the late Confederation. He said, that he had no doubt its operation would benefit, not only the centre, but the extremities also of the Union. The commercial, mechanical, and agricultural interests of the United States are so combined, that one cannot be benefited without benefiting the other. He concluded by observing, that he thought the Legislature of the United States could not better answer the purposes of their

appointment, than by passing this bill. He hoped, therefore, that it would not be recommitment, but that it would now pass.

Mr. LEE observed, that having been confined by sickness, he was precluded from attending the House yesterday; but sick as he was, had he supposed that there was a prospect of a bill of such magnitude and importance passing without a discussion of its principles, he certainly would have attended, and offered his objections to various parts of it, which he thought very exceptionable. He hoped, therefore, it would now be recommitment; that a bill which is so unequal and so partial may undergo a thorough discussion.

Mr. TUCKER was in favor of a recommitment. He acknowledged that those who had their objections to the bill were certainly blamable for not coming forward with them yesterday. He then stated sundry objections to the bill. The time allowed to receive the subscriptions, he said, is too short, and will benefit those only in the vicinity of the Bank. The clause which authorizes the loaning of one hundred thousand dollars to the Government, without express provision by law, he thought exceptionable, as the Executive will be able, by this means, to borrow at any time, without being authorized, to almost any amount, of the Bank. The loan of two millions of dollars by the United States to the Bank, he objected to; as diverting that sum from the particular object for which it was borrowed. There is no appropriation, said he, of the half-yearly dividend of profits accruing to the United States, which he observed, was a very essential defect. Mr. T. stated other objections, as reasons for a recommitment.

Mr. WILLIAMSON was in favor of the recommitment, to give those who say they have not had an opportunity of offering their objections time to do it; and if the motion be not agreed to, he should not give his vote for the bill. He then adverted to the objections deduced from the Constitution, and explained the clause respecting monopolies as referring altogether to commercial monopolies.

Mr. SHERMAN objected to the recommitment. He said, that though the bill could not be amended without its being recommitment, yet it was open to discussion and objection previous to taking a vote on its passage. He did not think the objections offered afforded sufficient reasons for a recommitment. He replied to the observations offered by several gentlemen who had spoken in favor of the motion.

Mr. GERRY expressed his surprise at the observations of gentlemen who had neglected to offer their objections to the bill before, and said it could only be imputed to their own neglect, and not to any precipitancy on the part of the friends of the bill. Mr. G. noticed the several objections which had been offered, and said, if nothing more important could be offered, he thought it would be unjustifiable in the House to go into a committee.

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Mr. MADISON observed, that at this moment it was not of importance to determine how it has happened that the objections which several gentlemen now say they have to offer against the bill were not made at the proper time. It is sufficient for them, if the candor of the House should lead them now to recommit the bill, that in a Committee of the whole they may have an opportunity to offer their objections.

Mr. AMES replied to Mr. MADISON. He said, he did not conceive that the appeal now made to the candor of the House was in point. The gentlemen who object to the bill had an opportunity to offer their objections; the customary forms have been attended to; and the whole question for the recommitment turns on the force of the objections which are now offered to the general principles of the bill altogether. The candor of the House, he conceived, was entirely out of the question, and therefore not to be appealed to; but the justice due to their constituents in the proper discharge of the duty reposed in them. He said, it appeared to him absurd to go into a Committee of the whole to determine whether the bill is constitutional or not. If it is unconstitutional, that amounts to a rejection of it altogether.

Mr. MADISON thought there was the greatest propriety in discussing a constitutional question in the Committee of the whole.

Mr. STONE and Mr. GILES were in favor of the recommitment. They objected to the unconstitutionality of the bill, and to several of its particular clauses.

Mr. VINING said, he thought it was a subject of congratulation, that the bill was in its present situation; it had happily passed to the third reading without that tedious discussion which bills usually receive. The subject has been a considerable time before the House, and gentlemen have had time to contemplate it. The bill is now in the stage to which gentlemen very usually reserve themselves to state their objections at large, and he hoped they would now do it. He was not perfectly satisfied as to the constitutional point. He therefore hoped gentlemen would state their objections, that those who are interested on that point may offer their reasons.

Mr. BOUDINOT stated the process of the business yesterday. He observed, that he had then the honor to be in the chair. He had read the bill very distinctly and deliberately, with proper pauses; he thought that the fullest opportunity had been offered for gentlemen to come forward with their objections. He was opposed to the recommitment, as it would, he feared, issue in a defeat of the bill this session. He had one difficulty, however, respecting the unconstitutionality of the bill, which he hoped to have removed; and he hoped that a full discussion of its general principles would take place.

The motion for a recommitment was lost, as follows:

AYES.—Messrs. Ashe, Baldwin, Bloodworth, Bourne, Brown, Burke, Carroll, Contee, Gale,

Grout, Giles, Jackson, Lee, Madison, Matthews, Moore, Parker, Smith, of Maryland, Smith, of S. C., Stone, Tucker, White, and Williamson.—23.

NAYS.—Messrs. Ames, Benson, Boudinot, Cadwalader, Clymer, Fitzsimons, Floyd, Foster, Gerry, Gilman, Goodhue, Hartley, Hathorn, Heister, Huntington, Lawrence, Leonard, Livermore, Mullenberg, Partridge, Rensselaer, Schureman, Scott, Seney, Sherman, Sylvester, Sinnickson, Steele, Sturges, Thatcher, Trumbull, Vining, Wadsworth, and Wynkoop.—34.

#### INDIAN AFFAIRS.

Mr. AMES, from the Committee on Indian Affairs, informed the Speaker that a Report was ready to lay before the House; on which the doors of the gallery were ordered to be shut.

WEDNESDAY, February 2.

The engrossed bill making appropriations for the support of Government for the year 1791, was read the third time, and passed.

A message from the Senate informed the House, that they have passed the bill declaring the assent of Congress to a certain act of the State of Maryland.

#### BANK OF THE UNITED STATES.

The House resumed the consideration of the bill sent from the Senate to incorporate the subscribers to the Bank of the United States.

The bill being on its passage,

Mr. MADISON began with a general review of the advantages and disadvantages of Banks. The former, he stated, to consist in, first, the aid they afford to merchants, who can thereby push their mercantile operations further with the same capital. Second. The aids to merchants in paying punctually the customs. 3d. Aids to the Government in complying punctually with its engagements, when deficiencies or delays happen in the revenue. 4th. In diminishing usury. 5th. In saving the wear of gold and silver kept in the vaults, and represented by notes. 6th. In facilitating occasional remittances from different places where notes happen to circulate.

The effect of the proposed Bank, in raising the value of stock, he thought had been greatly overrated. It would no doubt raise that of the stock subscribed into the Bank; but could have little effect on stock in general, as the interest on it would remain the same, and the quantity taken out of the market would be replaced by Bank stock.

The principal disadvantages consisted in, 1st, banishing the precious metals, by substituting another medium to perform their office. This effect was inevitable. It was admitted by the most enlightened patrons of Banks, particularly by *Smith on the Wealth of Nations*. The common answer to the objection was, that the money banished was only an exchange for something equally valuable that would be imported in return. He admitted the weight of this observation in general; but doubted whether, in the present habits of this country, the



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returns would not be in articles of no permanent use to it. 2d. Exposing the public and individuals to all the evils of a run on the Bank, which would be particularly calamitous in so great a country as this, and might happen from various causes, as false rumors, bad management of the institution, an unfavorable balance of trade from short crops, &c.

It was proper to be considered also, that the most important of the advantages would be better obtained by several Banks properly distributed than by a single one. The aids to commerce could only be afforded at or very near the seat of the Bank. The same was true of aids to merchants in the payment of customs. Anticipations of the Government would also be most convenient at the different places where the interest of the debt was to be paid. The case in America was different from that in England: the interest there was all due at one place, and the genius of the Monarchy favored the concentration of wealth and influence at the metropolis.

He thought the plan liable to other objections. It did not make so good a bargain for the public as was due to its interests. The charter to the Bank of England had been granted for eleven years only, and was paid for by a loan to the Government on terms better than could be elsewhere got. Every renewal of the charter had, in like manner, been purchased; in some instances, at a very high price. The same had been done by the Banks of Genoa, Naples, and other like banks of circulation. The plan was unequal to the public creditors; it gave an undue preference to the holders of a particular denomination of the public debt, and to those at and within reach of the seat of Government. If the subscriptions should be rapid, the distant holders of evidences of debt would be excluded altogether.

In making these remarks on the merits of the bill, he had reserved to himself the right to deny the authority of Congress to pass it. He had entertained this opinion from the date of the Constitution. His impression might, perhaps, be the stronger, because he well recollected that a power to grant charters of incorporation had been proposed in the General Convention and rejected.

Is the power of establishing an incorporated Bank among the powers vested by the Constitution in the Legislature of the United States? This is the question to be examined.

After some general remarks on the limitations of all political power, he took notice of the peculiar manner in which the Federal Government is limited. It is not a general grant, out of which particular powers are excepted; it is a grant of particular powers only, leaving the general mass in other hands. So it had been understood by its friends and its foes, and so it was to be interpreted.

As preliminaries to a right interpretation, he laid down the following rules:

An interpretation that destroys the very characteristic of the Government cannot be just.

Where a meaning is clear, the consequences, whatever they may be, are to be admitted—where doubtful, it is fairly triable by its consequences.

In controverted cases, the meaning of the parties to the instrument, if to be collected by reasonable evidence, is a proper guide.

Contemporary and concurrent expositions are a reasonable evidence of the meaning of the parties.

In admitting or rejecting a constructive authority, not only the degree of its incidentality to an express authority is to be regarded, but the degree of its importance also; since on this will depend the probability or improbability of its being left to construction.

Reviewing the Constitution with an eye to these positions, it was not possible to discover in it the power to incorporate a Bank. The only clauses under which such a power could be pretended, are either:

1. The power to lay and collect taxes to pay the debts, and provide for the common defence and general welfare: Or,

2. The power to borrow money on the credit of the United States: Or,

3. The power to pass all laws necessary and proper to carry into execution those powers.

The bill did not come within the first power. It laid no tax to pay the debts, or provide for the general welfare. It laid no tax whatever. It was altogether foreign to the subject.

No argument could be drawn from the terms "common defence, and general welfare." The power as to these general purposes was limited to acts laying taxes for them; and the general purposes themselves were limited and explained by the particular enumeration subjoined. To understand these terms in any sense, that would justify the power in question, would give to Congress an unlimited power; would render nugatory the enumeration of particular powers; would supersede all the powers reserved to the State Governments. These terms are copied from the articles of Confederation; had it ever been pretended, that they were to be understood otherwise than as here explained?

It had been said, that "general welfare" meant cases in which a general power might be exercised by Congress, without interfering with the powers of the States; and that the establishment of a National Bank was of this sort. There were, he said, several answers to this novel doctrine.

1. The proposed Bank would interfere, so as indirectly to defeat a State Bank at the same place.

2. It would directly interfere with the rights of the States, to prohibit as well as to establish Banks, and the circulation of Bank notes. He mentioned a law in Virginia actually prohibiting the circulation of notes payable to bearer.

3. Interference with the power of the States was no constitutional criterion of the power of

Congress. If the power was not given, Congress could not exercise it; if given, they might exercise it, although it should interfere with the laws, or even the Constitution of the States.

4. If Congress could incorporate a Bank, merely because the act would leave the States free to establish Banks also, any other incorporations might be made by Congress. They could incorporate companies of manufacturers, or companies for cutting canals, or even religious societies, leaving similar incorporations by the States, like State Banks to themselves. Congress might even establish religious teachers in every parish, and pay them out of the Treasury of the United States, leaving other teachers unmolested in their functions. These inadmissible consequences condemned the controverted principle.

The case of the Bank established by the former Congress had been cited as a precedent. This was known, he said, to have been the child of necessity. It never could be justified by the regular powers of the articles of Confederation. Congress betrayed a consciousness of this in recommending to the States to incorporate the Bank also. They did not attempt to protect the Bank notes by penalties against counterfeiters. These were reserved wholly to the authority of the States.

The second clause to be examined is that which empowers Congress to borrow money.

Is this a bill to borrow money? It does not borrow a shilling. Is there any fair construction by which the bill can be deemed an exercise of the power to borrow money? The obvious meaning of the power to borrow money, is that of accepting it from, and stipulating payment to those who are able and willing to lend.

To say that the power to borrow involves a power of creating the ability, where there may be the will, to lend is not only establishing a dangerous principle, as will be immediately shown, but is as forced a construction as to say that it involves the power of compelling the will, where there may be the ability, to lend.

The third clause is that which gives the power to pass all laws necessary and proper to execute the specified powers.

Whatever meaning this clause may have, none can be admitted, that would give an unlimited discretion to Congress.

Its meaning must, according to the natural and obvious force of the terms and the context, be limited to means necessary to the end, and incident to the nature of the specified powers.

The clause is in fact merely declaratory of what would have resulted by unavoidable implication, as the appropriate, and, as it were, technical means of executing those powers. In this sense it has been explained by the friends of the Constitution, and ratified by the State Conventions.

The essential characteristic of the Government, as composed of limited and enumerated powers, would be destroyed, if instead of direct and incidental means, any means could be

used which, in the language of the preamble to the bill, "might be conceived to be conducive to the successful conducting of the finances, or might be conceived to tend to give facility to the obtaining of loans." He urged an attention to the diffuse and ductile terms which had been found requisite to cover the stretch of power contained in the bill. He compared them with the terms necessary and proper, used in the Constitution, and asked whether it was possible to view the two descriptions as synonymous, or the one as a fair and safe commentary on the other.

If, proceeded he, Congress, by virtue of the power to borrow, can create the means of lending, and, in pursuance of these means, can incorporate a Bank, they may do any thing whatever creative of like means.

The East India Company has been a lender to the British Government, as well as the Bank, and the South Sea Company is a greater creditor than either. Congress, then, may incorporate similar companies in the United States, and that too not under the idea of regulating trade, but under that of borrowing money.

Private capitals are the chief resources for loans to the British Government. Whatever then may be conceived to favor the accumulation of capitals may be done by Congress. They may incorporate manufacturers. They may give monopolies in every branch of domestic industry.

If, again, Congress by virtue of the power to borrow money, can create the ability to lend, they may, by virtue of the power to levy money, create the ability to pay it. The ability to pay taxes depends on the general wealth of the society, and this, on the general prosperity of agriculture, manufactures, and commerce. Congress then may give bounties and make regulations on all of these objects.

The States have, it is allowed on all hands, a concurrent right to lay and collect taxes. This power is secured to them, not by its being expressly reserved, but by its not being ceded by the Constitution. The reasons for the bill cannot be admitted, because they would invalidate that right; why may it not be conceived by Congress, that a uniform and exclusive imposition of taxes, would not less than the proposed Banks "be conducive to the successful conducting of the national finances, and tend to give facility to the obtaining of revenue, for the use of the Government?"

The doctrine of implication is always a tender one. The danger of it has been felt in other Governments. The delicacy was felt in the adoption of our own; the danger may also be felt, if we do not keep close to our chartered authorities.

Mark the reasoning on which the validity of the bill depends. To borrow money is made the end, and the accumulation of capitals implied as the means. The accumulation of capitals is then the end, and a Bank implied as the means. The Bank is then the end, and a charter

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of incorporation, a monopoly, capital punishments, &c. implied as the means.

If implications, thus remote and thus multiplied, can be linked together, a chain may be formed that will reach every object of legislation, every object within the whole compass of political economy.

The latitude of interpretation required by the bill is condemned by the rule furnished by the Constitution itself.

Congress have power "to regulate the value of money;" yet it is expressly added, not left to be implied, that counterfeiters may be punished.

They have the power "to declare war," to which armies are more incident, than incorporated banks to borrowing; yet the power "to raise and support armies" is expressly added; and to this again, the express power "to make rules and regulations for the government of armies;" a like remark is applicable to the powers as to the navy.

The regulation and calling out of the militia are more appurtenant to war than the proposed Bank to borrowing; yet the former is not left to construction.

The very power to borrow money is a less remote implication from the power of war, than an incorporated monopoly Bank from the power of borrowing; yet, the power to borrow is not left to implication.

It is not pretended that every insertion or omission in the Constitution is the effect of systematic attention. This is not the character of any human work, particularly the work of a body of men. The examples cited, with others that might be added, sufficiently inculcate, nevertheless, a rule of interpretation very different from that on which the bill rests. They condemn the exercise of any power, particularly a great and important power, which is not evidently and necessarily involved in an express power.

It cannot be denied that the power proposed to be exercised is an important power.

As a charter of incorporation, the bill creates an artificial person previously not existing in law. It confers important civil rights and attributes, which could not otherwise be claimed. It is, though not precisely similar, at least equivalent, to the naturalization of an alien, by which certain new civil characters are acquired by him. Would Congress have had the power to naturalize, if it had not been expressly given?

In the power to make by laws, the bill delegated a sort of Legislative power, which is unquestionably an act of a high and important nature. He took notice of the only restraint on the by-laws, that they were not to be contrary to the law and the constitution of the Bank, and asked what law was intended; if the law of the United States, the scantiness of their code would give a power never before given to a corporation; and obnoxious to the States, whose laws would then be superseded, not only by the

laws of Congress, but by the by-laws of a corporation within their own jurisdiction. If the law intended was the law of the State, then the State might make laws that would destroy an institution of the United States.

The bill gives a power to purchase and hold lands; Congress themselves could not purchase lands within a State "without the consent of its Legislature." How could they delegate a power to others which they did not possess themselves?

It takes from our successors, who have equal rights with ourselves, and with the aid of experience will be more capable of deciding on the subject, an opportunity of exercising that right for an immoderate term.

It takes from our constituents the opportunity of deliberating on the untried measure, although their hands are also to be tied by it for the same term.

It involves a monopoly, which affects the equal rights of every citizen.

It leads to a penal regulation, perhaps capital punishments, one of the most solemn acts of sovereign authority.

From this view of the power of incorporation exercised in the bill, it could never be deemed an accessory or subaltern power, to be deduced by implication, as a means of executing another power; it was in its nature a distinct, an independent and substantive prerogative, which not being enumerated in the Constitution, could never have been meant to be included in it, and not being included, could never be rightfully exercised.

He here adverted to a distinction, which he said had not been sufficiently kept in view, between a power necessary and proper for the Government or Union, and a power necessary and proper for executing the enumerated powers. In the latter case, the powers included in each of the enumerated powers were not expressed, but to be drawn from the nature of each. In the former, the powers composing the Government were expressly enumerated. This constituted the peculiar nature of the Government, no power, therefore, not enumerated could be inferred from the general nature of Government. Had the power of making treaties, for example, been omitted, however necessary it might have been, the defect could only have been lamented, or supplied by an amendment of the Constitution.

But the proposed Bank could not even be called necessary to the Government; at most it could be but convenient. Its uses to the Government could be supplied by keeping the taxes a little in advance; by loans from individuals; by the other Banks, over which the Government would have equal command; nay greater, as it might grant or refuse to these the privilege (a free and irrevocable gift to the proposed Bank) of using their notes in the Federal revenue.

He proceeded next to the contemporary expositions given to the Constitution.

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The defence against the charge founded on the want of a bill of rights pre-supposed, he said, that the powers not given were retained; and that those given were not to be extended by remote implications. On any other supposition, the power of Congress to abridge the freedom of the press, or the rights of conscience, &c. could not have been disproved.

The explanations in the State Conventions all turned on the same fundamental principle, and on the principle that the terms necessary and proper gave no additional powers to those enumerated.

[Here he read sundry passages from the Debates of the Pennsylvania, Virginia, and North Carolina Conventions, showing the grounds on which the Constitution had been vindicated by its principal advocates, against a dangerous latitude of its powers, charged on it by its opponents.]

He did not undertake to vouch for the accuracy or authenticity of the publications which he quoted. He thought it probable that the sentiments delivered might, in many instances, have been mistaken, or imperfectly noted; but the complexion of the whole, with what he himself and many others must recollect, fully justified the use he had made of them.

The explanatory declarations and amendments accompanying the ratifications of the several States formed a striking evidence, wearing the same complexion. He referred those who might doubt on the subject, to the several acts of ratification.

The explanatory amendments proposed by Congress themselves, at least, would be good authority with them; all these renunciations of power proceeded on a rule of construction, excluding the latitude now contended for. These explanations were the more to be respected, as they had not only been proposed by Congress, but ratified by nearly three-fourths of the States. He read several of the articles proposed, remarking particularly on the 11th and 12th, the former, as guarding against a latitude of interpretation; the latter, as excluding every source of power not within the Constitution itself.

With all this evidence of the sense in which the Constitution was understood and adopted, will it not be said, if the bill should pass, that its adoption was brought about by one set of arguments, and that it is now administered under the influence of another set; and this reproach will have the keener sting, because it is applicable to so many individuals concerned in both the adoption and administration.

In fine, if the power were in the Constitution, the immediate exercise of it cannot be essential; if not there, the exercise of it involves the guilt of usurpation, and establishes a precedent of interpretation, levelling all the barriers which limit the powers of the General Government, and protect those of the State Governments. If the point be doubtful only, respect for ourselves, who ought to shun the appearance of precipitancy and ambition; respect for our suc-

cessors, who ought not lightly to be deprived of the opportunity of exercising the rights of legislation; respect for our constituents, who have had no opportunity of making known their sentiments, and who are themselves to be bound down to the measure for so long a period; all these considerations require that the irrevocable decision should at least be suspended until another session.

It appeared on the whole, he concluded, that the power exercised by the bill was condemned by the silence of the Constitution; was condemned by the rule of interpretation arising out of the Constitution; was condemned by its tendency to destroy the main characteristic of the Constitution; was condemned by the expositions of the friends of the Constitution, whilst depending before the public; was condemned by the apparent intention of the parties which ratified the Constitution; was condemned by the explanatory amendments proposed by Congress themselves to the Constitution; and he hoped it would receive its final condemnation, by the vote of this House.

THURSDAY, February 3.

Mr. CLYMER presented the memorial of sundry widows, creditors of the United States, remonstrating against the funding system, and praying that they may receive six per cent. on the whole amount of the demands against the United States; referred to the Secretary of the Treasury.

A committee, consisting of Messrs. SEDGWICK, STURGES, and CONTEE was appointed to report a bill making a temporary provision for the Clerks and other officers of the Federal Courts; also, compensation to the jurors attending said courts.

#### BANK OF THE UNITED STATES.

The House resumed the consideration of the bill sent from the Senate, to incorporate the subscribers to the Bank of the United States.

A motion was made by Mr. WILLIAMSON to recommit the bill, for the purpose of amending the first section by prolonging the time for receiving subscriptions from October to April; this motion occasioned some debate, and was determined in the negative; the yeas and nays being as follow:

YEAS.—Messrs. Baldwin, Bloodworth, Brown, Burke, Carroll, Contee, Gale, Giles, Grout, Jackson, Lee, Madison, Matthews, Moore, Sevier, Smith, of South Carolina, Steele, Stone, Tucker, White, and Williamson.—21.

NAYS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Clymer, Fitzsimons, Floyd, Foster, Gerry, Gilman, Goodhue, Griffin, Hartley, Hathorn, Heister, Huntington, Lawrence, Leonard, Livermore, Muhlenberg, Parker, Partridge, Rensselaer, Schureman, Scott, Sedgwick, Seney, Sherman, Smith, of Maryland, Sylvester, Sinuickson, Sturges, Thatcher, Trumbull, Vining, Wadsworth, and Wynkoop.—38.

Mr. AMES.—Little doubt remains with re-

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spect to the utility of banks. It seems to be conceded within doors and without, that a public bank would be useful to trade, that it is almost essential to revenue, and that it is little short of indispensably necessary in times of public emergency. In countries whose forms of Government left them free to choose, this institution has been adopted of choice, and in times of national danger and calamity it has afforded such aid to Government as to make it appear, in the eyes of the people, a necessary means of self-preservation. The subject, however intricate in its nature, is at last cleared from obscurity. It would not be difficult to establish its principles, and to deduce from its theory such consequences as would vindicate the policy of the measure. But why should we lose time to examine the theory, when it is in our power to resort to experience? After being tried by that test, the world has agreed in pronouncing the institution excellent. This new capital will invigorate trade and manufactures with new energy. It will furnish a medium for the collection of the revenues; and if Government should be pressed by a sudden necessity, it will afford seasonable and effectual aid. With all these and many other pretensions, if it was now a question whether Congress should be vested with the power of establishing a bank, I trust that this House and all America would assent to the affirmative.

This, however, is not a question of expediency but of duty. We are not at liberty to examine which of several modes of acting is entitled to the preference. But we are solemnly warned against acting at all. We are told that the Constitution will not authorize Congress to incorporate the subscribers to the bank. Let us examine the Constitution, and if that forbids our proceeding, we must reject the bill; though we shall do it with deep regret that such an opportunity to serve our country must be suffered to escape for the want of a constitutional power to improve it.

The gentleman from Virginia considers the opposers of the bill as suffering disadvantage, because it was not debated as bills usually are in the Committee of the whole. He has prepared us to pronounce an eulogium upon his consistency by informing us that he voted in the old Congress against the Bank of North America, on the ground of his present objection to the constitutionality. He has told us that the meaning of the Constitution is to be interpreted by contemporaneous testimony. He was a member of the Convention which formed it, and of course his opinion is entitled to peculiar weight. While we respect his former conduct, and admire the felicity of his situation, we cannot think he sustains disadvantage in the debate. Besides, he must have been prepared with objections to the constitutionality, because he tells us they are of long standing, and had grown into a settled habit of thinking. Why, then, did he suffer the bill to pass the committee in silence? The friends of the bill

have more cause to complain of disadvantage; for while he has had time to prepare his objections, they are obliged to reply to them without premeditation.

In making this reply I am to perform a task for which my own mind had not admonished me to prepare. I never suspected that the objections I have heard stated had existence: I consider them as discoveries; and had not the acute penetration of that gentleman brought them to light, I am sure that my own understanding would never have suggested them.

It seems strange, too, that in our enlightened country the public should have been involved in equal blindness. While the exercise of even the lawful powers of Government is disputed, and a jealous eye is fixed on its proceedings, not a whisper has been heard against its authority to establish a bank. Still, however unseasonably, the old alarm of public discontent is sounded in our ears.

Two questions occur: may Congress exercise any powers which are not expressly given in the Constitution, but may be deduced by a reasonable construction of that instrument? And, secondly, will such a construction warrant the establishment of the bank?

The doctrine that powers may be implied which are not expressly vested in Congress has long been a bugbear to a great many worthy persons. They apprehend that Congress, by putting constructions upon the Constitution, will govern by its own arbitrary discretion; and therefore that it ought to be bound to exercise the powers expressly given, and those only.

If Congress may not make laws conformably to the powers plainly implied, though not expressed in the frame of Government, it is rather late in the day to adopt it as a principle of conduct. A great part of our two years' labor is lost, and worse than lost to the public, for we have scarcely made a law in which we have not exercised our discretion with regard to the true intent of the Constitution. Any words but those used in that instrument will be liable to a different interpretation. We may regulate trade; therefore we have taxed ships, erected light-houses, made laws to govern seamen, &c., because we say that they are the incidents to that power. The most familiar and undisputed acts of Legislation will show that we have adopted it as a safe rule of action to legislate beyond the letter of the Constitution.

He proceeded to enforce this idea by several considerations, and illustrated it by various examples. He said, that the ingenuity of man was unequal to providing, especially beforehand, for all the contingencies that would happen. The Constitution contains the principles which are to govern in making laws; but every law requires an application of the rule to the case in question. We may err in applying it; but we are to exercise our judgments, and on every occasion to decide according to an honest conviction of its true meaning.

The danger of implied power does not arise

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from its assuming a new principle; we have not only practised it often, but we can scarcely proceed without it; nor does the danger proceed so much from the extent of the power as from its uncertainty. While the opposers of the bank exclaim against the exercise of this power by Congress, do they mark out the limits of the power which they will leave to us, with more certainty than is done by the advocates of the bank? Their rules of interpretation by cotemporaneous testimony, the debates of Conventions, and the doctrine of substantive and auxiliary powers will be found as obscure, and of course as formidable as that which they condemn; they only set up one construction against another.

The powers of Congress are disputed. We are obliged to decide the question according to truth. The negative, if false, is less safe than the affirmative, if true. Why, then, shall we be told that the negative is the safe side? Not exercising the powers we have may be as pernicious as usurping those we have not. If the power to raise armies had not been expressed in the enumeration of the powers of Congress, it would be implied from other parts of the Constitution. Suppose, however, that it were omitted, and our country invaded, would a decision in Congress against raising armies be safer than the affirmative? The blood of our citizens would be shed, and shed unavenged. He thought, therefore, that there was too much prepossession with some against the bank, and that the debate ought to be considered more impartially, as the negative was neither more safe, certain, nor conformable to our duty than the other side of the question. After all, the proof of the affirmative imposed a sufficient burthen, as it is easier to raise objections than to remove them. Would any one doubt that Congress may lend money, that they may buy their debt in the market, or redeem their captives from Algiers? Yet no such power is expressly given, though it is irresistibly implied.

If, therefore, some interpretation of the Constitution must be indulged, by what rules is it to be governed? The great end of every association of persons or States is to effect the end of its institution. The matter in debate affords a good illustration: a corporation, as soon as it is created, has certain powers, or qualities, tacitly annexed to it, which tend to promote the end for which it was formed; such as, for example, its individuality, its power to sue and be sued, and the perpetual succession of persons. Government is itself the highest kind of corporation; and from the instant of its formation, it has tacitly annexed to its being, various powers which the individuals who framed it did not separately possess, but which are essential to its effecting the purposes for which it was framed; to declare, in detail, every thing that Government may do could not be performed, and has never been attempted. It would be endless, useless, and dangerous; exceptions of what it may not do are shorter and safer.

Congress may do what is necessary to the end for which the Constitution was adopted, provided it is not repugnant to the natural rights of man, or to those which they have expressly reserved to themselves, or to the powers which are assigned to the States. This rule of interpretation seems to be a safe, and not a very uncertain one, independently of the Constitution itself. By that instrument certain powers are specially delegated, together with all powers necessary or proper to carry them into execution. That construction may be maintained to be a safe one which promotes the good of the society, and the ends for which the Government was adopted, without impairing the rights of any man, or the powers of any State.

This, he said, was remarkably true of the bank; no man could have cause to complain of it; the bills would not be forced upon any one. It is of the first utility to trade. Indeed the intercourse from State to State can never be on a good footing without a bank, whose paper will circulate more extensively than that of any State bank. Whether the power to regulate trade from State to State will involve that of regulating inland bills of exchange and bank paper, as the instruments of the trade, and incident to the power, he would not pause to examine. That is an injury and wrong which violates the right of another. As the bank is founded on the free choice of those who make use of it, and is highly useful to the people and to Government, a liberal construction is natural and safe. This circumstance creates a presumption in favor of its conformity to the Constitution. This presumption is enforced by the necessity of a bank to other Governments. The most orderly Governments in Europe have banks. They are considered as indispensably necessary; these examples are not to be supposed to have been unnoticed. We are to pay the interest of our debt in thirteen places. Is it possible to transport the revenue from one end of the Continent to the other? Nay, a week before the quarter's interest becomes due, transfers may be made which will require double the sum in Boston which was expected. To guard against this danger, an extra sum must be deposited at the different loan-offices. This extra sum is not to be had; our revenue is barely equal to the interest due. This imposes an absolute necessity upon the Government to make use of a bank. The answer is, that the State banks will supply this aid. This is risking a good deal to the argument against the bank; for will they admit the necessity, and yet deny to the Government the lawful and only adequate means of providing for it? Ten of the States have no banks; those who have may abolish theirs, or suffer their charters to expire. But the State banks are insufficient to the purpose; their paper has not a sufficient circulation; of course their capitals are small. Congress is allowed to have a complete legislative power over its own finances; and yet



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without the courtesy of the States it cannot be exercised. This seems to be inconsistent.

If a war should suddenly break out, how is Congress to provide for it? Perhaps Congress would not be sitting; great expenses would be incurred; and they must instantly be provided for. How is this to be done? By taxes? And will the enemy wait till they can be collected? By loans at home? Our citizens would employ their money in war speculations, and they are not individually in a condition to lend a sufficient sum in specie? Or shall we send across the sea for loans? The dispute between England and Spain furnishes an example; the aid of their banks for several millions was prompt and effectual. Or will you say that Congress might issue paper money? That power, ruinous and fallacious as it is, is deduced from implication, for it is not expressly given. A bank only can afford the necessary aid in time of sudden emergency. If we have not the power to establish it, our social compact is incomplete, we want the means of self-preservation.

I shall perhaps be told that necessity is the tyrant's plea. I answer that it is a miserable one when it is urged to palliate the violation of private right. Who suffers by this use of our authority? Not the States, for they are not warranted to establish a National Bank; not individuals, for they will be assisted in trade, and defended from danger by it.

Having endeavored to enforce his argument, by noticing the uses of banks to trade, to revenue, to credit, and in cases of exigency, he adverted to the authority of our own precedents. Our right to govern the Western Territory is not disputed. It is a power which no State can exercise; it must be exercised, and therefore it resides in Congress. But how does Congress get this power? It is not expressly given in the Constitution, but is derived either from the nature of the case, or by implication from the power to regulate the property of the United States. If the power flows from the nature and necessity of the case, it may be demanded, is there not equal authority for the bank? If it is derived from the power of Congress to regulate the territory and other property of the United States, and to make all needful rules and regulations concerning it, and for the disposal of it, a strict construction would restrain Congress merely to the management and disposal of property, and of its own property; yet it is plain that more is intended. Congress has accordingly made rules, not only for governing its own property, but the property of the persons residing there. It has made rules which have no relation to property at all—for punishing crimes. In short, it exercises all power in that territory. Nay, it has exercised this very power of creating a corporation. The Government of that territory is a corporation; and who will deny that Congress may lawfully establish a bank beyond the Ohio? It is fair to reason by analogy from a power which is unquestionable to one which is the subject of debate.

He then asked, whether it appeared on this view of the subject, that the establishment of a National Bank would be a violent misinterpretation of the Constitution? He did not contend for an arbitrary, unlimited discretion in the Government to do every thing. He took occasion to protest against such a misconception of his argument. He had noticed the great marks by which the construction of the Constitution, he conceived, must be guided and limited; and these, if not absolutely certain, were very far from being arbitrary or unsafe. It is for the House to judge whether the construction which denies the power of Congress is more definite and safe.

In proving that Congress may exercise powers which are not expressly granted by the Constitution, he had endeavored to establish such rules of interpretation, and had illustrated his ideas by such observations as would anticipate, in a considerable degree, the application of his principles to the point in question. Before he proceeded to the construction of the clauses of the Constitution which apply to the argument, he observed that it would be proper to notice the qualities of a corporation, in order to take a more exact view of the controversy.

He adverted to the individuality and the perpetuity of a corporation, and that the property of the individuals should not be liable for the debts of the bank or company. These qualities are not more useful to the corporation than conformable to reason; but Government, it is said, cannot create these qualities. This is the marrow of the argument; for Congress may set up a bank of its own, to be managed as public property, to issue notes which shall be received in all payments at the Treasury, which shall be exchangeable into specie on demand, and which it shall be death to counterfeit. Such a bank would be less safe and useful than one under the direction of private persons; yet the power to establish it is indisputable. If Congress has authority to do this business badly, the question returns, whether the powers of a corporation, which are essential to its being well done, may be annexed as incident to it. The bank of New York is not a corporation, yet its notes have credit. Congress may agree with that bank, or with a company of merchants, to take their notes, and to cause all payments to pass through their coffers. Every thing that Government requires and the bank will perform may be lawfully done without giving them corporate powers; but to do this well, safely, and extensively, those powers are indispensable. This seems to bring the debate within a very narrow compass.

This led him to consider whether the corporate powers are incidental to those which Congress may exercise by the Constitution.

He entered into a discussion of the construction of that clause which empowers Congress to regulate the territory and other property of the United States. The United States may hold property, may dispose of it; they may hold

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it in partnership; they may regulate the terms of the partnership. One condition may be, that the common stock only shall be liable for the debts of the partnership, and that any purchaser of a share shall become a partner. These are the chief qualities of a corporation. It seems that Congress, having power to make all needful rules and regulations for the property of the United States, may establish a corporation to manage it; without which we have seen that the regulation cannot be either safe or useful: the United States will be the proprietor of one-tenth of the bank stock.

Congress may exercise exclusive legislation in all cases whatsoever over the ten miles square, and the places ceded by the States for arsenals, light-houses, docks, &c. Of course it may establish a bank in those places with corporate powers. The bill has not restrained the bank to this city; and if it had, the dispute would lose a part of its solemnity. If, instead of principles, it concerns only places, what objection is there to the constitutional authority of Congress to fix the bank at Sandy Hook, or Reedy Island, where we have light-houses, and a right of exclusive legislation? A bank established there, or in the district located by law on the Potomac for the seat of Government, could send its paper all over the Union; it is true that the places are not the most proper for a bank; but the authority to establish it in them overthrows the argument which is deduced from the definite nature of the powers vested in Congress, and the dangerous tendency of the proposed construction of them.

The preamble of the Constitution warrants this remark that a bank is not repugnant to the spirit and essential objects of that instrument.

He then considered the power to borrow money. He said it was natural to understand that authority as it was actually exercised in Europe; which is to borrow of the bank. He observed, the power to borrow was of narrow use without the institution of a bank; and in the most dangerous crisis of affairs would be a dead letter.

After noticing the power to lay and collect taxes, he adverted to the sweeping clause, as it is usually called, which empowers Congress to exercise all powers necessary and proper to carry the enumerated powers into execution. He did not pretend that it gives any new powers; but it establishes the doctrine of implied powers. He then demanded whether the power to incorporate a bank is not fairly relative, and a necessary incident to the entire powers to regulate trade and revenue, and to provide for the public credit and defence.

He entered into a particular answer to several objections, and after recapitulating his argument, he concluded with observing that we had felt the disadvantages of the Confederation; we adopted the Constitution expecting to place the national affairs under a Federal head. This is a power which Congress can only exercise; we may reason away the whole Constitution.

All nations have their times of adversity and danger; the neglect of providing against them in season may be the cause of ruining the country.

FRIDAY, February 4.

## FISHERIES.

A report of the Secretary of State on the subject of the fisheries was laid before the House by the Speaker, and read by the clerk; and, on motion, it was voted that this report, with a letter from the French Chargé des Affaires, which accompanied the same, be sent to the Senate.

## BANK OF THE UNITED STATES.

The House resumed the consideration of the bill for incorporating the Bank of the United States.

The question being on the passage of the bill, Mr. SEDGWICK said, he would endeavor not to fatigue the patience of the House in the observations he should make on the important subject now under consideration. Without entering into the discussion on a scale so extensive as had been indulged by some gentlemen, he would dwell only on a few important principles, and such consequences as were conclusively deducible from them, which had made a strong impression on his own mind. The opposition to the bill had called in question the constitutional powers of Congress to establish the proposed corporation, and the utility of banks, neither of which till within a few days did he suppose was doubted by any intelligent man in America; and had charged the present system with holding out unequal terms against the Government to those who should subscribe to the proposed stock.

With regard to the question of constitutionality much had been said which, in his opinion, had not an intimate relation to the subject now before the House. We have with great earnestness been warned of the danger of grasping power by construction and implication; and this warning has been given in very animated language by the gentleman from Virginia (Mr. MADISON.) I do not wish to deprive that member of the honor of consistency; but I well remember the time when the energy of his reasoning impressed on the minds of the majority of this House a conviction that the power of removal from office, holden at pleasure, was, by construction and implication, vested by the Constitution in the President, for there could be no pretence that it is expressly granted to him.

He would only observe, in answer to every thing which had been said of the danger of extending construction and implication, that the whole business of Legislation was a practical construction of the powers of the Legislature; and that probably no instrument for the delegation of power could be drawn with such precision and accuracy as to leave nothing to necessary implication. That all the different Legis-

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latures in the United States had, and this, in his opinion, indispensably must construe the powers which had been granted to them, and they must assume such auxiliary powers as are necessarily implied in those which are expressly granted. In doing which, it was no doubt their duty to be careful not to exceed those limits to which it was intended they should be restricted. By any other limitation the Government would be so shackled that it would be incapable of producing any of the effects which were intended by its institution.

He observed, that on almost all the great and important measures which come under the deliberation of Congress there were immense difficulties to be surmounted. If we attempt, said he, to proceed in one direction, our ears are assailed with the exclamation of "the Constitution is in danger;" if we attempt to attain our objects by pursuing a different course, we are told the pass is guarded by the stern spirit of democracy. Did I concur with gentlemen in opinion on this subject, I should think it my duty to go home to my constituents, and honestly declare to them that by their jealousy of power they had so restrained the operations of the Government that we had not the means of effecting any of the great purposes for which the Constitution was designed, without attempting, what perhaps would be found impracticable, to fix by general rules the nice point within which Congress would be authorized to assume powers by construction and implication, and beyond which they may be justly considered as usurpers.

He wished gentlemen to reflect what effect a single principle, universally acknowledged, would have in determining the question now under consideration. It is universally agreed that wherever a power is delegated for express purposes, all the known and usual means for the attainment of the objects expressed are conceded also. That to decide what influence this acknowledged principle would have on the subject before the House, it would be necessary to reflect on the powers with which Congress are expressly invested. He then repeated that Congress was authorized to lay and collect taxes, to borrow money on the credit of the United States, to raise and support armies, provide and maintain navies, to regulate foreign and domestic trade, and to make all laws necessary and proper to carry these and the other enumerated powers into effect. They were, in fine, entrusted with the exercise of all those powers which the people of America thought necessary to secure their fame and happiness against the attacks of internal violence and external invasion, and in the exercise of those powers the Legislature was authorized, agreeably to the principle which he had mentioned, to employ all the known and usual means necessary and proper to effectuate the ends which are expressed. It might be of use to determine with precision what was the meaning of the words *necessary* and *proper*:—they

did not restrict the power of the Legislature to enacting such laws only as are indispensable. Such a construction would be infinitely too narrow and limited; and to apply the meaning strictly, it would prove, perhaps, that all the laws which had been passed were unconstitutional; for few, if any of them, could be proved indispensable to the existence of the Government. The conduct of Congress had a construction on those words more rational and consistent with common sense and the purposes for which the Government was instituted; which he conceived to be that the laws should be established on such principles, and such an agency in the known and usual means employed in the execution of them as to effect the ends expressed in the Constitution with the greatest possible degree of public utility. If banks were among the known and usual means to effectuate or facilitate the ends which had been mentioned, to enable the Government with the greatest ease and least burthen to the people to collect taxes, borrow money, regulate commerce, raise and support armies, provide and maintain fleets, he thought the argument irrefragable and conclusive to prove the constitutionality of the bill. Pursuing further the same idea, he asked for what purposes were banks instituted and patronised by Governments which were unrestricted by constitutional limitations? Were they not employed as the means and the most useful engines to facilitate the collection of taxes, borrowing money, and the other enumerated powers? Besides, he said, it was to be observed that the Constitution had expressly declared the ends of Legislation; but in almost every instance had left the means to the honest and sober discretion of the Legislature. From the nature of things this must ever be the case; for otherwise the Constitution must contain not only all the necessary laws under the existing circumstances of the community but also a code so extensive as to adapt itself to all future possible contingencies. By our Constitution Congress has not only the power to lay and collect taxes, but to do every thing subordinate to that end; the objects, the means, the instruments, and the purposes are left to the honest and sober discretion of the Legislature. The power of borrowing money was expressly granted; but all the known and usual means to that end were left in silence. The same observations might with truth be made respecting the other delegated powers. The great ends to be obtained as means to effectuate the ultimate end—the public good and general welfare, are capable, under general terms, of constitutional specification; but the subordinate means are so numerous, and capable of such infinite variation, as to render an enumeration impracticable, and must therefore be left to construction and necessary implication. He said, on this ground, he was willing to leave the general argument; it was simple, intelligible, and he hoped would be thought conclusive.

He said the constitutionality had been attack-

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ed from another quarter. It was said, we could not give commercial advantages to one port above another. The constitutional provision which had been quoted was undoubtedly intended to prevent a partial regulation of commerce; if extended to the case under consideration, it would much more strongly prove that Congress ought not to reside in any commercial city; for he verily believed that the commercial advantages of Philadelphia were incomparably greater from that residence than they could be supposed from the institution of a National Bank. Indeed, it was his opinion that, considering that this city had a bank, the capital of which was adequate to all her commercial exigencies; that she could enlarge that capital as her necessity should require; and that her bank will, if this bill should be rejected, receive the benefit of national operations, that the measure will not advance her individual interest.

With regard to the utility of banks, he observed that he would not attempt to display a knowledge of the subject by repeating all he had read and heard in relation to it, nor fatigue the House by a detail of his own reflections and reasoning upon it; the causes were unnecessary to be explained; the effects had been such in all countries where banks had been instituted, as to produce an unanimous opinion that they were alike useful for all the great purposes of Government, and to promote the general happiness of the people. Nor was our own experience wanting to the same purpose. At a time when our public resources were almost annihilated, our credit prostrate, our Government imbecile, and its patronage inconsiderable, a bank of small capital was among the most operative causes which produced that first dawn that ultimately terminated in meridian splendor by the establishment of peace, independence, and freedom. There were two circumstances which he would take the liberty to mention, which would render banks of more importance in this country than in any other country where they are at present in use: the first, the commercial enterprise of our merchants compared with the smallness of their capitals, which, as we had no large manufacturing capitals, whereby the precious metals could be retained in circulation, would frequently, by their exportation, greatly distress the people; the other originated from a measure of the Government—Congress, from a laudable intention of accommodating their constituents, instituted Treasuries in all the States, in some of these there would be, in the ordinary course of events, a deficiency, and in others a redundancy. To keep them in equilibrium by the transportation of the precious metals, or by the purchase of bills in the market, would be not only inconvenient and expensive but would keep out of circulation a considerable part of the medium of the country.

Gentlemen had been pleased to consider the proposed terms as giving an undue advantage to the stockholders. He would leave this part

of the subject to gentlemen who better understood it; only observing, that as Government must rely principally on merchants to obtain the proposed stock, it would be necessary to afford to them sufficient motives to withdraw from their commercial pursuits a part of their capitals.

He would attempt an answer to some of those desultory objections which had been made, and in doing this, he would omit to answer such as had been, in his opinion, already refuted. He observed, that it had been said that granting charters of incorporation was a high prerogative of Government. He supposed it was not intended that it was, in the nature of things, too transcendent a power to be exercised by a National Government, but that the exercise of it should only be in consequence of express delegation. Let this objection be compared with the conduct of Congress on another subject, in all respects at least as important. There is not by the Constitution any power expressly delegated to mortgage our revenues, and yet without any question being made on the constitutionality of the measure, we have mortgaged them to an immense amount. From whence, he asked, do we acquire the authority to exercise this power? Not from express grants, but being empowered to borrow money on the credit of the United States, we have very properly considered the pledging funds as among the known and usual means necessary and proper to be employed for the attainment of the end expressly delegated.

It has been said that the bill authorized the stockholders to purchase real estate. He considered the provision in the bill in that regard, not a grant, but a limitation of power. Any man, or body of men, might, by the existing laws, purchase, in their own private capacities, real estate to any amount. This right was limited as it respected the proposed corporation.

It is said there are banks already, and therefore the proposed incorporation is unnecessary. To this he answered, that if the Government should agree to receive all its demands in the paper of the existing banks, it would give to them every advantage which, in the opinion of gentlemen, renders the present system objectionable, without stipulating for any equivalent to the Government. But are, he asked, gentlemen serious in these observations? Do they believe the capitals of those banks adequate to the exigencies of the nation? Do they believe that those banks possess any powers by which they can give a projectile force to their paper, so as to extend its circulation throughout the United States? Or do they really wish to have the Government repose itself on institutions with which they have no intimate connexion, and over which they have no control?

Mr. S. concluded by observing he was very confident a majority of that House could never be induced to believe that it was the intention of the Constitution to deprive the Legislature of one of the most important and necessary

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means of executing the powers expressly delegated.

MR. LAWRENCE.—The advocates of this measure stand in an unfortunate situation; for being those who in general advocate national measures, they are charged with designs to extend the powers of the Government unduly. He, however, consoled himself with a conscious attachment to the Constitution, and with the reflection that their conduct received the approbation of their constituents. If the present be contrasted with the former circumstances of this country, he doubted not the measures of this Government would continue to receive the approbation of the people of the United States.

The silence of the people on the subject now before the House is strongly presumptive that the measure of the bank is not considered by them as unconstitutional. He then endeavored to show the constitutionality of the bank system. It must be conceded that there is nothing in the Constitution that is expressly against it, and therefore we ought not to deduce a prohibition by construction; he adverted to the amendment proposed by Congress to the Constitution, which says powers "not delegated are retained;" here, said he, to prove that the bank is unconstitutional, the constructive interpretation so much objected against is recurred to.

The great objects of this Government are contained in the context of the Constitution. He recapitulated those objects, and inferred that every power necessary to secure these must necessarily follow; for as to the great objects for which this Government was instituted, it is as full and complete in all its parts as any system that could be devised; a full uncontrollable power to regulate the fiscal concerns of this Union is a primary consideration in this Government, and from hence it clearly follows that it must possess the power to make every possible arrangement conducive to that great object.

He then adverted to the late Confederation, and pointed out its defects and incompetency; and hence the old Congress called on the States to enact certain laws which they had not power to enact; from hence he inferred, that as the late Confederation could not pass those laws, and to capacitate the Government of the United States, and form a more perfect union, the Constitution under which we now act was formed. To suppose that this Government does not possess the powers for which the Constitution was adopted involves the grossest absurdity.

The deviation from charters and the infringement of parchment rights, which had been justified on the principle of necessity by the gentleman from Virginia, (MR. MADISON,) he said, had been made on different principles from those now mentioned; the necessity, he contended, did not at the time exist; the old Congress exercised the power, as they thought, by a fair construction of the Confederation.

On constructions, he observed, it was to be lamented that they should ever be necessary; but they had been made; he instanced the power of removability, which had been an act of the three branches, and has not been complained of. It was at least as important a one as the present.

But the construction now proposed, he contended, was an easy and natural construction. Recurring to the collection law, he observed, that it was by construction that the receipts are ordered to be made in gold and silver.

With respect to creating a mass of capital, he supposed, just and upright national measures would create a will to form this capital.

Adverting to the idea that Congress has not the power to establish companies with exclusive privileges, he observed, that by the amendments proposed by New Hampshire, Massachusetts, and New York, it plainly appears that these States considered that Congress does possess the power to establish such companies.

The Constitution vests Congress with power to dispose of certain property in lands, and to make all useful rules and regulations for that purpose; can its power be less over one species of its own property than over another?

With respect to giving preference to one State over another, he observed, that ten years hence the seat of Government is to be on the Potomac, and wherever the Government is finally settled, the place will enjoy superior advantages; but still the Government must go there, and the places not enjoying those advantages must be satisfied.

It is said we must not pass a problematical bill, which is liable to a supervision by the Judges of the Supreme Court; but he conceived there was no force in this, as those Judges are invested by the Constitution with a power to pass their judgment on all laws that may be passed.

It is said that this law may interfere with the State Governments; but this may or may not be the case; and in all interference of the kind the particular interest of a State must give way to the general interest.

With respect to the corporation possessing the power of passing laws, this, he observed, is a power incidental to all corporations; and in the instance of the Western Territory, Congress have exercised the power of instituting corporations or bodies politic to the greatest possible extent.

He defended the right of Congress to purchase and possess property, and quoted a passage in the Constitution to show that they possess this right.

He then touched on the expediency of banks, and of that proposed in particular. The advantages generally derived from these institutions, he believed, applied peculiarly to this country. He noticed the objection from banks banishing the specie; he said the surplus only would be sent out of the country; but is it given away? No, sir, it is sent off for articles

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which are wanted, and which will enrich the country.

With respect to a run on the bank, he mentioned the circumstances under which those runs on the British banks, which had been noticed, took place; and showed there was no parallel that would probably ever take place in this country.

From several particulars he showed that the objection which arose from the United States not having a good bargain by the system was not well founded. He then mentioned the peculiar advantages which the United States will enjoy over common subscribers.

The objection from banks being already established in the several States he obviated by stating the mischiefs which might arise from an ignorance of the situation of those banks; and concluded by some remarks on the inexpediency of the General Government having recourse to institutions of merely a local nature.

Mr. JACKSON said, that having been the person who brought forward the constitutional objection against the bill, he thought himself bound to notice the answers which had been offered to that objection. Newspaper authorities, said he, have been alluded to, and their silence on the subject considered as indicating the approbation of the people. He would meet the gentlemen on that ground; and, though he did not consider newspapers as an authority to be depended on, yet if opinions through that channel were to be regarded, he would refer gentlemen to those of this city; the expediency and constitutionality of the bill has been called in question by the newspapers of this city.

The latitude contended for in construing the Constitution on this occasion he reprobated very fully. If the sweeping clause, as it is called, extends to vesting Congress with such powers, and necessary and proper means are an indispensable implication in the sense advanced by the advocates of the bill, we shall soon be in possession of all possible powers, and the charter under which we sit will be nothing but a name.

This bill will essentially interfere with the rights of the separate States, for it is not denied that they possess the power of instituting banks; but the proposed corporation will eclipse the Bank of North America, and contravene the interests of the individuals concerned in it.

He then noticed the several arguments drawn from the doctrine of implication; the right to incorporate a National Bank has been adduced from the power to raise armies; but he presumed it would not be contended that this is a bill to provide for the national defence. Nor could such a power, in his opinion, be derived from the right to borrow money. It has been asked what the United States could do with the surplus of their revenue without the convenience of a bank in which to deposit it with advantage? For his part, though he wished to anticipate pleasing occurrences, he did not look forward to the time when the General Government

would have this superabundance at its disposal. The right of Congress to purchase and hold lands has been urged to prove that they can transfer this power; but the General Government is expressly restricted in the exercise of this power; the consent of the particular State to the purchase for particular purposes only is requisite; these purposes are designated, such as building light-houses, erecting arsenals, &c.

It has been said that banks may exist without a charter; but that this incorporation is necessary in order that it may have a hold on the Government. Mr. J. strongly reprobated this idea. He was astonished to hear such a declaration, and hoped that such ideas would prevent a majority of the House from passing a bill that would thus establish a perpetual monopoly; we have, said he, I believe, a perpetual debt; I hope we shall not have a perpetual corporation. What was it drove our forefathers to this country? Was it not the ecclesiastical corporations and perpetual monopolies of England and Scotland? Shall we suffer the same evils to exist in this country instead of taking every possible method to encourage the increase of emigrants to settle among us? For if we establish the precedent now before us, there is no saying where it will stop.

The power to regulate trade is said to involve this as a necessary means; but the powers consequent on this express power are specified, such as regulating light-houses, ships, harbors, &c. It has been said that Congress has borrowed money; this shows that there is no necessity of instituting any new bank, those already established having been found sufficient for the purpose. He denied the right of Congress to establish banks at the permanent seat of Government, or on those sand heaps mentioned yesterday; for if they should, they could not force the circulation of their paper one inch beyond the limits of those places. But it is said, if Congress can establish banks in those situations, the question becomes a question of place and not of principle; from hence it is inferred that the power may be exercised in any other part of the United States. This appeared to him to involve a very dangerous construction of the powers vested in the General Government.

Adverting to the powers of Congress in respect to the finances of the Union, he observed that those powers did not warrant the adoption of whatever measures they thought proper: the Constitution has restricted the exercise of those fiscal powers; Congress cannot lay a poll tax, nor impose duties on exports; yet these undoubtedly relate to the finances.

The power exercised in respect to the Western Territory, he observed, had reference to property already belonging to the United States; it does not refer to property to be purchased, nor does it authorize the purchase of any additional property; besides, the powers are express and definite, and the exercise of them in making needful rules and regulations in the Gov-



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ernment of that Territory does not interfere with the rights of any of the respective States.

Mr. J. denied the necessity of the proposed institution; and noticing the observation of Mr. AMES, that it was dangerous on matters of importance not to give an opinion, observed that he could conceive of no danger that would result from postponing that construction of the Constitution now contended for to some future Congress, who, when the necessity of a banking institution shall be apparent, will be as competent to the decision as the present House. Alluding to the frequent representations of the flourishing situation of the country, he inferred that this shows the necessity of the proposed institution does not exist at the present time; why, then, should we be anticipating for future generations? State banks he considered preferable to a National Bank, as counterfeits can be detected in the States; but if you establish a National Bank, the checks will be found only in the city of Philadelphia or Connogochegue. He passed an eulogium on the Bank of Pennsylvania; the stockholders, said he, are not speculators; they have the solid coin deposited in their vaults.

He adverted to the preamble and context of the Constitution, and asserted that this context is to be interpreted by the general powers contained in the instrument. Noticing the advantages which it had been said would accrue to the United States from the bank, he asked, is the United States going to commence stockjobbers? The "general welfare" are the two words that are to involve and justify the assumption of every power. But what is this general welfare? It is the welfare of Philadelphia, New York, and Boston; for as to the States of Georgia and New Hampshire, they may as well be out of the Union for any advantages they will receive from the institution. He reprobated the idea of the United States deriving any emolument from the bank, and more especially he reprobated the influence which it was designed the Government should enjoy by it. He said the Banks of Venice and Amsterdam were founded on different principles. In the famous Bank of Venice, though the Government holds no shares, yet it has at command five millions of ducats; but the United States were to be immediately concerned in theirs, and become stockjobbers. The Bank of Amsterdam was under the entire direction of the burgomasters, who alone had the power of making by-laws for its regulation: this power, by the bill, was given up by Government, very improperly he thought, and was to be exercised by the stockholders. The French Bank, he added, was first established upon proper principles and flourished; but afterwards became a Royal Bank; much paper was introduced, which destroyed the establishment, and was near oversetting the Government.

The facility of borrowing he deprecated; it will involve the Union in irretrievable debts; the facility of borrowing is but another name

for anticipation, which will in its effects deprive the Government of the power to control its revenues; they will be mortgaged to the creditors of the Government: let us beware of following the example of Great Britain in this respect. He said, undue advantages had been taken in precipitating the measure, and the reasonable proposition respecting the State debts is not admitted. This I consider as partial and unjust. A gentleman from Virginia has well observed that we appear to be divided by a geographical line; not a gentleman scarcely to the Eastward of a certain line is opposed to the bank, and where is the gentleman to the Southward that is for it? This ideal line will have a tendency to establish a real difference. He added a few more observations, and concluded by urging a postponement, if any regard was to be had to the tranquillity of the Union.

Mr. BOUDINOT said he meant to confine himself to two or three great points on which the whole argument appeared to him to rest. He considered the objections to the bill as pointed against its constitutionality and its expediency. It was essential, he observed, that every member should be satisfied as far as possible of the first, for however expedient it might be, if it was clearly unconstitutional, the bill should never receive the sanction of the representatives of the people. He would, in a great measure, refer its expediency, if constitutional, to the experience of every gentleman of the House, as the most satisfactory proof on that head, and he conceived there was no need of much argument in support of its decision. The first question then was, is Congress vested with a power to grant the privileges contained in the bill? This is denied, and ought to be proved. In order to show in what manner this subject had struck his mind, he first laid down these principles.

Whatever power is exercised by Congress must be drawn from the Constitution; either from the express words or apparent meaning, or from a necessary implication arising from the obvious intent of the framers.

That whatever powers (vested heretofore in any individual State), not granted by this instrument, are still in the people of such State, and cannot be exercised by Congress. That whatever implication destroys the principle of the Constitution ought to be rejected. That in construing an instrument, the different parts ought to be so expounded as to give meaning to every part which will admit of it.

Having stated these preliminaries, Mr. B. proceeded to inquire what were the powers attempted to be exercised by this bill? For until the powers were known, the question of constitutionality could not be determined.

By it Congress was about to exercise the power of incorporating certain individuals, thereby establishing a banking company for successfully conducting the finances of the nation.

The next inquiry is, what rights will this company enjoy in this new character, that they

do not enjoy independent of it? Every individual citizen had an undoubted right to purchase and hold property, both real and personal, to any amount whatever; to dispose of this property to whom and on what terms he pleased; to lend his money on legal interest to any person willing to take the same; and indeed to exercise every power over his property that was contained in the bill. Individual citizens, then, having these powers, might also associate together in company or copartnership, and jointly exercising the same rights, might hold lands in joint-tenancy, or as tenants in common, to any amount whatever; might put any sum of money into joint stock; might issue their notes to any amount; might make by-laws or articles of copartnership for their own government; and, finally, might set up a bank to any amount, however great, and no authority in the Government could legally interfere with the exercise of these rights. The great difference between this private association of citizens, in their individual capacities, and the company to be created by this bill, and which is held up in so dangerous a light, is, that the one exposes the company to the necessity of using each individual's name in all their transactions; suits must be brought in all their names; deeds must be taken and given in like manner; each one in his private estate is liable for the default of the rest; the death of a member dissolves the partnership as to him; and for want of a political existence the union may be dissolved by any part of its members, and of course many obvious inconveniences must be suffered merely of an official kind. By the bill these difficulties are to be removed by conveying three qualities to them.

1st. Individuality, or constituting a number of citizens into one legal artificial body, capable by a fictitious name of exercising the rights of an individual.

2d. Irresponsibility in their individual capacity, not being answerable beyond the joint capital.

3d. Durability, or a political existence for a certain time, not to be effected by the natural death of its members.

These are the whole of the powers exercised, and the rights conveyed. It is true these are convenient and advantageous to the company, but of trifling importance when considered as a right of power exercised by a National Legislature for the benefit of the Government. Can it be of any importance to the State whether a number of its citizens are considered in legal contemplation as united in an individual capacity, or separately as so many individuals, especially if the public weal is thereby promoted? By their irresponsibility being known, every person dealing with them gives his tacit consent to the principle, and it becomes part of the contract. And by political duration their powers and abilities are limited, and their rights restricted, so as to prevent any danger that might arise from the exercise of their joint

natural right, not only as to the amount of their capital, but as to the by-laws they may make for their government.

A private bank could make contracts with the Government and the Government with them, to all intents and purposes as great and important as a public bank, would their capital admit of it; though they would not possess such qualities as to justify the confidence of Government, by depending on them in a time of danger and necessity. This might put it in the power of any individuals to injure the community in its essential interests by withdrawing the capital when most needed. To prevent this and many other inconveniences it is necessary that a bank for the purposes of Government should be a legally artificial body, possessing the three qualities above mentioned.

Mr. B. then took up the Constitution, to see if this simple power was not fairly to be drawn by necessary implication from those vested by this instrument in the Legislative authority of the United States. It sets out in the preamble with declaring the general purposes for which it was formed:—"the insurance of domestic tranquillity, provision for the common defence, and promotion of the general welfare." These are the prominent features of this instrument, and are confirmed and enlarged by the specific grants in the body of it, where the principles on which the Legislature should rest their after proceedings are more fully laid down, and the division of power to be exercised by the general and particular Governments distinctly marked out. By the eighth section, Congress has power "to levy taxes, pay debts, provide for the common defence and general welfare, declare war, raise and support armies, provide for and maintain a navy;" and as the means to accomplish these important ends, "to borrow money," and, finally, "to make all laws necessary and proper for carrying into execution the foregoing powers." Let us, then, inquire, is the constituting a public bank necessary to these important and essential ends of Government? If so, the right to exercise the power must be in the supreme Legislature.

He argued that the power was not contained in express words, but that it was necessarily deduced by the strongest and most decisive implication, because he contended that it was a necessary means to attain a necessary end. Necessary implication had led Congress under the power to lay and collect impost and taxes, to establish officers for the collection, to inflict penalties against those who should defraud the revenue, to oblige vessels to enter at one port and deliver in another; subjected them to various ceremonies in their proceedings, for which the owners were made to pay; and he conceived that it was not so great an exertion of power by implication to incorporate a company for the purpose of a bank. He also deduced the right from the power of paying debts, raising armies, providing for the general welfare and common defence, for which they were to bor-

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row money. All these necessarily include the right of using every proper and necessary means to accomplish these necessary ends. It is certain, he said, that money must be raised from the people. This could not be done in sums sufficient for the exigencies of Government in a country where the precious metals were as scarce as in this. The people in general are poor when compared with European nations; they have a wilderness to subdue and cultivate; taxes must be laid with prudence, and collected with discretion; the anticipation of the revenues, therefore, by borrowing money, becomes absolutely necessary. If so, then as the Constitution had not specified the manner of borrowing, or from whom the loan was to be obtained, the supreme Legislature of the Union were at liberty, it was their duty to fix on the best mode of effecting the purposes of their appointment. For it was a sound principle, that when a general power is granted, and the means are not specified, they are left to the discretion of those in whom the trust is reposed, provided they do not adopt means expressly forbidden. The public defence, or general welfare, resting on the annual supplies from uncertain revenues, would expose the very existence of the community. It is the duty of those to whom the people have committed this power to prepare in time of peace for the necessary defence in a time of war. The United States are now happily in a state of peace; but it was impossible for any one to say how long it would continue. By prudent management it might be long preserved; but this prudence consisted in being always found in a state of preparation to defend our country.

The Constitution contemplates this very duty by authorizing Congress to provide for the common defence by borrowing money. Why borrow money? Are not the annual revenues sufficient? It might be so if nothing was to be attended to but internal wants; but the common defence and general welfare loudly call for that provision which will produce a constant guard on external enemies and internal insurrections. To this necessary end it becomes Congress to provide that the necessary means may be always at hand, by being able to arm their citizens and provide for their support while engaged in the defence of their common country. This can be done only by borrowing money which is usually of citizens or foreigners; if of the first, it must be from individuals or from private banks: will it be prudent to trust to either? Loans from individuals were attempted during the war, when patriotism produced a will in some lenders, and others were glad to get rid of a depreciating paper currency almost on any terms whatever.

But even these loans, arising from this paper medium with which the market was glutted, were altogether insufficient; and by one change of circumstances every hope was precluded of being any way successful in procuring money from that source. The circumstances of indi-

viduals, too, in this country are such, when compared with the wants of a nation, as to render the source too vague and uncertain to rely upon; and it would be a most improvident execution of the powers granted for the express purpose of the common defence and general welfare. Private banks are almost as inadequate to the object, and for reasons already given were neither to be depended on for will or capital as to the supply for the principal wants of Government. They are generally established for commercial purposes, and on capitals not always sufficient for them. If they should be prevailed upon at any time to attempt to supply the demands of a nation at war, it must be from a general combination of their whole stocks, to the destruction of the original designs of their several institutions. This ought not to be expected; for as far as it goes to the depression of the mercantile interests, so far it is injurious to the Government; besides, a dependence upon such a combination would be impolitic, both from its slowness and uncertainty. The votes of a few individuals affected by local, selfish, or adverse politics might endanger the whole people. Such a dependence ought not to be attributed to the wise framers of the Constitution, neither does the language warrant it. But foreign loans have been mentioned, as a proper source for this purpose. The imprudence of placing the common defence of a nation on the will of those who have no interest in its welfare is a good answer to this observation. Would it be prudent to trust a foreigner, perhaps a rival, if not an enemy, with your supply of what has emphatically been called the sinews of war? Would it not expose us to exorbitant demands, and often a refusal? Many adventitious circumstances of a war, increasing demands from all quarters, scarcity of coin, and difficulty of communication, as well as the intrigues of Courts, all loudly oppose the measure, as contrary to the spirit and meaning of a provision for the common defence and general welfare. The only resort then, he conceived, was by a timely provision to secure institutions at home from which loans might be obtained at all times on moderate terms and to such amount as the necessity of the State might require. But gentlemen say that the Constitution does not expressly warrant the establishment of such a corporation. If by *expressly*, express words are meant, it is agreed that there are no express words; and this is the case with most of the powers exercised by Congress; for if the doctrine of necessary implication is rejected, he did not see what the supreme Legislature of the Union could do in that character. If this power is not clearly given in the Constitution by necessary implication, then is a necessary end proposed and directed, while the common and usual necessary means to attain that end are refused, or at least not granted.

Mr. B. was firmly of opinion that a National Bank was the necessary means, without which the end could not be obtained. Theory proved

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it so in his opinion, and the experience of the Union in a day of distress had fully confirmed the theory. The struggles of the friends of freedom during the late contest had nearly been rendered abortive for want of this aid. That danger which was then so hardly avoided became a solemn memento to this House to provide against a similar case of necessity. This was the time to do it with advantage, being in such profound peace. He had not heard any argument by which it was proved that either individuals, private banks, or foreigners could with safety and propriety be depended on as the efficient and necessary means for so important a purpose. Although money was at present plentiful in Europe, and might be borrowed on easy terms, it might not be so to-morrow, in case a war should break out, and our necessities become pressing. He again enumerated the harmless qualities with which it was proposed to vest the bank corporation, by the bill on the table, for the important purposes of the common defence and general welfare. Gentlemen had not yet pointed out any danger arising to the community, neither did he think it was possible that any could ever be mentioned equal to those of suffering the Government to depend on individuals or private banks for loans in a day of distress.

But it was said that this bill gave the corporation a right to hold real property in a State, which Congress had no powers to do. The terms of the bill are misapprehended; this is a right which has already been shown attaches to the citizens individually, or in their associated capacity; the bill therefore does no more than to vest a number with an artificial single capacity under a fictitious name, and by that name to hold lands, make by-laws, &c.; all which they might have done before as citizens in a collective capacity. So far from giving a new power, their original individual rights are limited for the public safety as to the amount of their stock and the duration of their existence.

Mr. B. then proceeded to cite numerous instances of powers exercised by Congress during the last two years, deduced under the Constitution by necessary implication, to show the utter impossibility of carrying any one provision of that authority into execution for the benefit of the people without this reasonable latitude of construction. He also adverted to some instances of the like conduct under the former Confederation. It had been urged that the new Congress had no rights or powers but what had been vested in and given to them by the individual States, and therefore they could not accept a cession from Great Britain by the treaty of peace of the lands extending to the Lake of the Woods, because not before included in any individual State. Every member was soon convinced of the absurdity of the argument, and by a necessary implication established the power of the Confederated Legislature. During the war the commander-in-chief gave a passport to a British officer to

transmit clothing to the British prisoners at Lancaster. He accordingly conveyed a very large quantity of British goods into Pennsylvania for that purpose; which being directly against an express law of that State, they were seized and condemned by the proper magistrate. On a complaint to the Legislature of the State, they referred the same to their Judicial officers, upon whose report (that Congress being vested with the power of declaring war, the right of giving safe passports to an enemy was necessarily implied, which therefore was duly exercised by their commander-in-chief, though no express power was given to him for that purpose) the Legislature declared their law directing the condemnation of the goods void *ab initio*, and the judgment of condemnation had no effect.

This was also the rule that governed this House with regard to the removability of officers by the President, and the authority given to a Council to legislate for the Western Territory. In fine, he concluded, that it was universally understood that whenever a general power was given, especially to a supreme Legislature, every necessary means to carry it into execution were necessarily included. This was the common sense of mankind, without which it would require a multitude of volumes to contain the original powers of an increasing Government that must necessarily be changing its relative situation every year or two.

If power was given to raise an army, the making provision for all the necessary supplies and incident charges were included. If a navy was to be formed, the manning and supplying the warlike stores are necessarily understood. If a power is given to borrow money, a right to mortgage or pledge the public property to secure the repayment is understood to be vested in the borrower. Take up the present statute book, and every page will afford evidence of this doctrine. Examine the law with regard to crimes and punishments; under the power of establishing courts we have implied the power of punishing the stealing and falsifying the records, and ascertained the punishment of perjury, bribery, and extortion. Under the power of regulating trade, we have accepted cessions of real estate, and built light-houses, piers, &c. All this is under the doctrine of necessary implication for the public good; and in cases not so strong as the present, and on the exercise of which no gentleman thought proper to start this objection.

This construction appears so natural and necessary, that the good sense of every gentleman on the floor has hitherto led him to proceed on this principle ever since we began to legislate: what principle of the Constitution does it destroy? It gives nothing that can effect the rights of any State or citizen. Indeed it has been said that it is exercising a high act of power; he thought it had been shown to be rather of the inferior kind; but allow the position, and who so proper as the Legislature of

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the whole Union to exercise such a power for the general welfare. It has also been said that this power is a mere convenience for the purpose of fiscal transactions, but not necessary to attain the ends proposed in the Constitution. This is denied, and at best is mere matter of opinion, and must be left to the discretion of the Legislature to determine.

Mr. B. said, he should now conclude what he had to say, had not an honorable gentleman (Mr. JACKSON) brought forward the observations of the author of the *Federalist*, vol. 2, p. 72, 73, and 74, to show a different contemporaneous exposition of the Constitution, and charged the author, who he alleged was said to be also the author of the present plan before the House, with a change of sentiment. As this gentleman is not here to speak for himself, he ought to have the next best chance by having what he then wrote candidly attended to, especially as gentlemen allow him to be good authority. Mr. B. read only part of the 73d page referred to by Mr. JACKSON, in these words: "Had the Convention attempted a positive enumeration of the powers necessary and proper for carrying their other powers into effect, the attempt would have involved a complete digest of laws on every subject to which the Constitution relates; accommodated, too, not only to the existing state of things, but to all the possible changes which futurity may produce; for in every new application of a general power, the particular powers which are the means of attaining the general power must always necessarily vary with that object, and be often properly varied whilst the object remains the same." How these sentiments can be said to be a different contemporaneous exposition must be left to the House to determine.

Mr. B. then begged the indulgence of the House to hear the same gentleman when arguing expressly on that part of the Constitution now under consideration; and then read p. 144, 145, and 146 of the 1st. vol. of the *Federalist*, which are too long to be inserted. He declared that, in his opinion, it was impracticable to put together language in the same length that could more forcibly and pointedly elucidate and prove the construction contended for in support of the bill on the table. There remained yet but two objections, to answer which Mr. B. would detain the House a little longer.

The gentleman from Georgia (Mr. JACKSON) had charged the measure with establishing the commercial interests to the great injury of the agricultural. If this was true he never would agree to it, for he considered the agricultural interests of America as its great and sure dependence. Mr. B. confessed that so far from seeing these measures in this point of light, he could not bring his mind to comprehend how the commercial interests of a country could be promoted without greatly advancing the interests of agriculture. Will the farmer have any temptation to labor, if the surplus of what he raises beyond his domestic consumption is to

perish in his barn for want of a market? Can a market be obtained without the merchant? If commerce flourishes, the merchants increase, and of course the demand for the produce of the land; but if the mercantile interests fail, there is none to export the surplus produced by agriculture. If the farmer should undertake to export his own produce, he could not give his whole attention to his affairs; or if the merchant should attempt to raise the grain he wanted, he could not carry on his merchandise. The one interest depends on the other; a separation destroys both.

But the incapacity of the bank to extend its influence to the extremes of the Union has been argued from the gentleman never having seen a note of the present Bank of North America in Georgia; he therefore concludes that bank has never been of any service to her agricultural interests. Mr. B. said that he drew very different conclusions from this fact. He supposed that by means of the bank the traders with Georgia had been enabled to send her the precious metals, while the bank paper had answered their purposes nearer home where it circulated with undoubted credit. He instanced a case of a Philadelphia merchant, who was possessed of £100 in gold, and £100 credit at the bank; the merchant wanted £100 worth of rice of a Georgia planter, and the like value in flour of a Pennsylvania farmer. When he purchased the one of the Georgian, he could safely pay him the whole in gold, while he found the Pennsylvanian would as readily receive the bank paper for his flour; but had there been no bank, he could have purchased but £50 worth of each, and the Georgian and Pennsylvanian both would have gone without a market for the residue. In short, the whole Union may be likened to the body and limbs; you cannot aid or comfort one but the other must be likewise benefited.

He said it was however difficult and impracticable to show that every measure adopted by the Government should have an effect perfectly equal over so extensive a country as that of the United States; it was sufficient if, upon the whole, the measures of Government, taken all together, produced the desired equality.

The last objection was that by adopting this bill we exposed the measure to be considered and defeated by the Judiciary of the United States, who might adjudge it to be contrary to the Constitution, and therefore void; and not lend their aid to carry it into execution. This, he alleged, gave him no uneasiness. He was so far from controverting this right in the Judiciary, that it was his boast and his confidence. It led him to greater decision on all subjects of a constitutional nature, when he reflected that if, from inattention, want of precision, or any other defect, he should do wrong, that there was a power in the Government which could constitutionally prevent the operation of such a wrong measure from effecting his constituents. He was legislating for a nation, and for thou-

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sands unborn; and it was the glory of the Constitution that there was a remedy even for the failures of the supreme Legislature itself.

Upon the whole, then, he said, that on taking the power in question in every point of view, and giving the Constitution the fullest consideration, under the advantage of having the objections placed in the strongest point of light by the great abilities of the gentlemen in the opposition, he was clearly in favor of the bill; as to its expediency, there could be little doubt on the minds of any gentleman; and unless more conclusive arguments could be adduced to show its unconstitutionality, he should in the end vote for passing the bill.

SATURDAY, February 5.

MESSRS. SEDGWICK, STURGES, and CONTEE, were appointed a committee to bring in a bill further to continue in force an act passed the first session of Congress, to regulate civil processes in the Courts of the United States.

#### BANK OF THE UNITED STATES.

The House resumed the consideration of the bill for incorporating the Bank of the United States.

The question being on the passage of the bill,

MR. SMITH observed, that he considered it his duty to offer the reasons which should influence him in giving his vote on this occasion. He had wished amendments to the bill, as some parts of it, he confessed, did not perfectly please him; but his wishes having been overruled, the question now is, whether the bill shall pass? Though he came southward of the Potomac, the principle of the bill met his approbation. It would be a deplorable thing if this Government should enact a law subversive of the Constitution, or that so enlightened a body as the Senate of the United States should, by so great a majority as were in favor of this bill, pass a law so hostile to the liberties of this country, as the opposition to this measure have suggested the Bank system to be; and it would be very extraordinary if an officer of this Government, who has produced a performance explanatory of the Constitution, of such celebrity as to be resorted to as an authority, should be so inconsistent with himself as to propose a law entirely subversive of the principles laid down in his able defence of the Constitution.

He then adverted to the objection drawn from that article of the Constitution, that no preference shall be given to one port over another. He showed that the clause was inserted for a particular purpose, and could not be cited as a rule not to be deviated from, as a preference was and must necessarily be given to one port over another. He produced numerous instances in point, in consequence of various clauses in the revenue laws; general regulations sometimes operate partially, and commercial arrangements, apparently unequal, produce the good of the community at large.

In reference to construing the Constitution,

he observed, that the present moment, when the powers of the Government were assailed from various quarters, he conceived the most improper to contract these powers.

The right to construe the Constitution he argued from the principles advanced by Mr. MADISON, in the debate on the power of removability, and read sundry observations from *Lloyd's Register*, made by that gentleman, corroborative of this sentiment. Those arguments, he conceived, applied very aptly to the present subject.

Matters of a fiscal nature necessarily devolve on the General Government, and he urged that every power resulting from the acknowledged right of Congress to control the finances of this country must be as necessarily implied as in the case of the power of removability.

He then alluded to the expediency of a National Bank. The Secretary gave notice, in his first report, that this plan was in contemplation. Nothing was ever read with greater avidity; and though it is now more than a year since this intimation was given, yet no objections have been offered against it either by the States or by individuals—even the State of North Carolina has not mentioned it. [Here Mr. BLOODWORTH, (if the Editor did not misunderstand him,) informed Mr. SMITH that the report had not been seen by the Legislature of North Carolina.] Mr. SMITH said he was sorry for it—and then proceeded to notice some partial quotations, made by Mr. JACKSON, from *Dr. Smith's Wealth of Nations*, against Bank Systems. He said, he could have wished the gentleman had been more copious in his quotations from that author; if he had, he would have found that that author has fully demonstrated their utility.

He noticed the division of opinions on the subject of a National Bank in the city of Philadelphia. He supposed ideas of personal advantages induced these opposing sentiments. He, however, thought this subject should be taken up altogether on general principles; and even if its immediate influence should not extend to the extremes of the Union, if the establishment promises a general preponderating advantage, local considerations must be considered in a secondary point of view. The principal inquiry is, will the institution facilitate the management of the finances? This, he thought, had been made apparent. This is the opinion of the Secretary of the Treasury, after due and mature consideration of the subject; and he certainly enjoys the best means of forming an opinion; he is at the head of the Fiscal Department, and deservedly enjoys the public confidence. Very little has been offered to disprove his sentiments on this part of the question, and the inexpediency of the measure should be clearly proved before the plan is rejected; for an officer who deservedly enjoys the public confidence is entitled to the support of the Legislature in those plans which are expedient and constitutional.



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Mr. S. mentioned instances in which Congress exercised power by implication, and observed, that this was necessary to the execution of the duties which devolve on the Government by the Constitution. The power to establish a National Bank must reside in Congress, for no individual State can exercise any such power. The right of no particular State is therefore infringed by the institution. It had repeatedly been said, that Philadelphia would derive peculiar advantages from the Bank of the United States, but, he observed, if the present plan should fail, it was a question whether the stockholders of the Bank of North America would not derive greater advantages from the necessity which, in that case, Government would be under of resorting to them for loans. The institution, as before observed, is founded on general principles, and will undoubtedly, in its operations, prove of general utility.

Mr. STONE said, if, upon questions like the present, he had given pain to members he regarded, they might be assured the pain was reciprocal. Let us cherish mutual toleration. We might conceive that each pursued the system which he advocated from the purest motives. We differ in our ideas of Government, and our sense of the sacredness of the written compact. We varied widely in our opinions of the direction of this Government. The great lesson of experiment would show who is right; but we are influenced in our habits of thinking by our local situations, and, perhaps, the distinct interests of the States we represent. He observed, that upon the present occasion, the opinions respecting the Constitution seem to be divided by a geographical line, dividing the Continent. Hence it might be inferred, that other considerations mixed with the question; and it had been insinuated that it was warped by the future seat of Government. But other causes may be assigned for the diversity of sentiment—the people to the Eastward began earliest in favor of liberty. They pursued freedom into anarchy—starting at the precipice of confusion, they are now vibrating far the other way. He said, that all our taxes are paid by the consumers of manufactures; those taxes are all bounties upon home manufactures. The people to the eastward are the manufacturers of this country; it was no wonder that they should endeavor to strengthen the hands of a Government by which they are so peculiarly benefited.

It is a fact, that the greatest part of the Continental debt has travelled eastward of the Potomac. This law is to raise the value of the Continental paper. Here, then, is the strong impulse of immediate interest in favor of the Bank. He took notice of the distinction made by the plan of the bill, between Continental and State paper. The State paper, on account of partial payments of interest, still remained in the respective States. But this could not, by the present system, be subscribed; so that the Southern States were deprived of the ad-

vantage that might have been given to the only paper they have. But if gentlemen charge us with defending the seat of Government, let them remember that this betrays consciousness of an attack. If they believe that this scheme tends to break the faith of the Union pledged to the Potomac, it is no wonder they suppose we oppose it upon that ground. He would not have mentioned this subject, had it not been hinted at. But let the whole of it come forth; let gentlemen consult their own bosoms; let the public decide the truth of his observations. He hoped he should not be suspected of any bias. That so uniform had been his conduct upon all questions, turning upon principles similar to the present, that every member in the House, he believed, had conjectured rightly of the side he would take, before he had uttered a word upon the subject. When implication first raised its head in this House, he started from it as a serpent which was to sting and poison the Constitution. He felt in unison with his country. The fears, the opinions, the jealousies of individuals and of States, had been explained by a gentleman from Virginia (Mr. MADISON.) He should only remark, that all those who opposed the Government dreaded this doctrine; those who advocated it, declared that it could not be resorted to; and all combined in opinion that it ought not to be tolerated. Never did any country more completely unite in any sentiment than America in this, “that Congress ought not to exercise, by implication, powers not granted by the Constitution.” And is it not strange? For the admission of this doctrine destroys the principle of your Government at a blow; it at once breaks down every barrier which the Federal Constitution had raised against unlimited legislation. He said, that necessity was the most plausible pretext for breaking the spirit of the social compact, but the people of this country have anticipated that pretext. They have said to the Ministers of this country, “we have given you what we think competent powers, but if experience proves them inadequate, we will enlarge them; but, in the mean time, dare not usurp those which we have reserved.”

It is agreed on all hands, that the power to incorporate the subscribers to a banking company, is not expressly granted, and although gentlemen have agreed that it is implied—that it is an incident, that it is a means, for effectuating powers expressly granted, yet they are not agreed as to the particular power to which this is an incident. They admit, that the sweeping clause in the Constitution confers no additional power. But if he understood the gentlemen, several of them were of opinion that all Governments instituted for certain ends draw to them the means of execution as of common right. This doctrine would make ours but a short Constitution. (Here he read the preamble,) and then said—Here is your Constitution! Here is your bill of rights! Do these gentlemen require any thing more respecting the

powers of Congress, than a description of the ends of Government? And if of right they can carry these into effect, will they regard the means, though they be expressly pointed out? But I would ask if there is any power under Heaven, which could not be exercised within the extensive limits of this preamble?

The Convention might have stopped here; and there was no need, according to the doctrine of the gentleman, to point out any of the means for the ends mentioned in the preamble. That portion of the Constitution which, by all America, has been thought so important, according to their logic, would become a dead letter; but the preamble, in fair construction, is a solemn compact, that the powers granted shall be made use of to the ends thereby specified.

He then reprobated, in pointed terms, the latitude of the principles premised. He said the end of all Government is the public good; and if the means were left to legislation, all written compacts were nugatory. He observed, that the sober discretion of the Legislature, which, in the opinions of gentlemen ought to be paramount, was the very thing intended to be curbed and restrained by our Constitution.

He then declared, that our form of Government not only pointed out the ends of Government, but specified the means of execution. He said, we may make war—this would draw to it the power of raising an army and navy, laying taxes, establishing a judiciary, &c. But the spirit of the Constitution, in this respect, had been well explained by Mr. MADISON, and he should not recapitulate.

He said, a gentleman from South Carolina (Mr. SMITH) had remarked that all our laws proceeded upon the principle of expediency—that we were the judges of that expediency—as soon as we gave it as our opinion that a thing was expedient, it became constitutional. What then remains of your Constitution, except its mode of organization? We may look into it to refresh our memories respecting the times, places, and manner of composing the Government; that, as to the powers of Congress, were he of that gentleman's opinion, he would never look into it again. Gentlemen see the difficulties of their theories, and are obliged to confess that these incidental powers are not easily defined. They rest in the sober discretion of the Legislature.

One gentleman (Mr. AMES) has said, no implication ought to be made against the law of nature, against rights acquired, or against power pre-occupied by the States; that it is easier to restrain than to give competent powers of execution. Now these notions are hostile to the main principle of our Government, which is only a grant of particular portions of power, implying a negative to all others. It has been shown that the ends of Government will include every thing. If gentlemen are allowed to range in their sober discretion for the means, it is plain they have no limits. By the cabalistic word incident, your Constitution is turned

upside down, and instead of being a grant of particular powers, guarded by an implied negative to all others, it is made to imply all powers. But, strange to tell, America forgot to guard it by express negative provisions. Is there any difference in effect between lodging general powers in a Government, and permitting the exercise of them by subtle constructions? He said there was a difference. In the one case the people fairly gave up their liberty, and stood prepared; in the other, they were unexpectedly tricked out of their Constitution.

The preceding remarks showed how dangerous is the doctrine of implication, and upon what small data ingenuity can raise the most dangerous superstructure. He should now take a view of those precedents, in the former and present Congress, which are relied on to justify the present measure.

1st. The Bank of North America. Here he stated the distressful and critical situation of America at the period of its establishment; he remarked, that it was at the time of the declension of the Continental money. He showed that there were no powers in the Confederation to which (even according to the reasoning of the other side) this power could be incidental, but what required the vote of nine States; that the ordinance passed by a vote of seven States, which showed that necessity alone gave birth to that measure. He showed the dissimilarity of the situations of the former and this Congress, and the difference in their powers, and, consequently, in the dangers to be apprehended from the encroachment of either.

2d. The redemption of our prisoners at Algiers. This comes within the power to regulate trade. If, said he, we are not capable of redeeming, by the best means in our power, our citizens, our trade may be entirely ruined; and hence, the law which would be made for their redemption would be necessary and proper. But, by the Constitution, the Executive may make treaties; these may be general, or for a particular object, and the Legislature may effectuate them by grants of money.

3d. We have bought certificates, and not destroyed them. This, they say, is implied from the power of paying the debts.

He asked if, before the purchase, the certificates were debts due from the United States? And demanded, if, by the purchase, they were divested of that quality? In my judgment, when a debt is fairly cancelled, it is as much like a payment as need be.

4th. We had no right, except by implication, to give a salary to the Vice-President. He had voted against the salary, and had been for a *per diem* allowance, because he thought the Vice-President was viewed by the Constitution only as the President of the Senate. But this example fails most palpably, as Congress, in the compensations, are not confined by the Constitution either to a particular sum or mode of payment.

5th. Congress have made corporations, and

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exercised complete legislation in the Western Territory. He said, to answer this case, nothing more was necessary than to read the clause in the Constitution which gives to Congress expressly the power to make all the rules and regulations for them.

It seemed to him as if gentlemen were inverting the order of things, by making powers where there were none, and attempting to prove express grants to be implications.

6th. Our regulations respecting freighters and owners, and between captains and seamen. He had not those regulations correctly in his memory, but he believed them proper and necessary regulations of commerce.

7th. It has been said we have exclusive jurisdiction in places belonging to Congress, and within the ten miles square. We could erect a bank in any of those places; its influence would extend over the Continent; the principle upon which we founded this power could not be confined to a particular time or a spot of land. Gentlemen ridicule the idea that the exercise of a pervading influence and a general principle should be limited by any particular number of years, or be confined within a fort. He said, the power of exclusive legislation in those places was expressly granted, and, under its influence, the Congress might exercise complete and exclusive legislation within those limits; that the power was confined to the places. But if the general powers of this Constitution are to be governed by the same rules of construction, and we are to have no regard to place, it follows that Congress can exercise exclusive legislation over this Continent. He was astonished at this doctrine. It would be equally reasonable to say, that France, because within the limits of her own dominions, and over her own property, she exercised exclusive legislation, that hence she had a right to legislate for the world.

8th. The power of removal of officers by the President alone. He said, it was known he had opposed that doctrine. He left it to be defended by those who had voted for it. But he hoped Mr. SUMNER (S. C.) and some other gentlemen, who had opposed it, would review the arguments they had used upon that occasion.

He observed, after taking a view of these precedents on the danger of laying down improper principles in legislation, how eagerly men grasped at the slightest pretenses for exercise of power. He shuddered to think what a broad and commanding position this Bank will form for further encroachments.

A gentleman from Massachusetts (Mr. SEDGWICK) has said, that whenever a power is granted, all the known and usual means of execution are always implied. The idea had been properly examined by Mr. GILES, but he would ask, if incorporating the subscribers to a Bank was the known and usual means of borrowing money, especially when the subscribers were not obliged to loan; or of collecting taxes, when no taxes were levied on the Bank.

But gentlemen tell us, that if we tie up the Constitution too tightly, it will break; if we hamper it, we cannot stir; if we do not admit the doctrine, we cannot legislate at all. And with a kind of triumph, they say that implication is recognised by the Constitution itself in the clause wherein we have power to make all laws, to carry, &c. He said, he was ready to meet the gentlemen upon this ground. This clause was intended to defeat those loose and proud principles of legislation which had been contended for. It was meant to reduce legislation to some rule. In fine, it confined the Legislature to those means that were necessary and proper.

He said, it would not be pretended that it was necessary and proper for the collection of taxes. Indeed, one gentleman (Mr. AMES) had attempted to show that the payments in specie could not be made, if by chance a great quantity of debt suddenly accumulated in a particular place. But it might be remembered, that this necessity, if it arrived, was created by the Legislature, and that would be strange reasoning which broke a good Constitution to mend a bad law. No taxes are to be collected by this bill.

It would not be necessary and proper as a mean of borrowing money, because, first, we do not want to borrow money, and, if we did, this law, though it may be the probable, is not the necessary mean; for if it was the interest of the stockholders, they might, and he believed would, refuse to loan. He said, that the institution might be defended upon more plausible grounds, if the Bank had been taxed; or if a condition to loan money to the public had been part of the plan. Upon what ground, then, do gentlemen stand? They can only say, that they have implied a great and substantive power in Congress, which gives to Government, or to individuals, the influence of fifteen millions of dollars, irrevocably, for twenty years, with a power of making by-laws, &c. because there is a probability that this institution may be convenient and agreeable in the operations of Government. He asked, upon parallel principles, what might Congress not do? He said, that the gentleman from Virginia (Mr. MADISON) pursuing the doctrine into all the forms in which it might appear, had struck upon several cases which were very pointed—an incorporation of manufacturers with exclusive privileges; merchants with the same; a national religion. This, a gentleman (Mr. AMES) has said was unfair and extravagant reasoning; and yet, in five minutes, the gentleman's own reasoning led him to ask, with warmth, if Congress could not join stocks with a company to trade to Nootka? And he condescended to doubt, if the privileges given to such a company might not be exclusive. He saw clearly, himself, that his theory led to the latter conclusion; for if expediency, if convenience, facility, if fears of war, if preparations for events which might never happen, can justify an incorporation upon the present plan, the same suggestions, the same logic, will

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legalize incorporations with exclusive privileges. The deductions of the gentleman from Virginia are sound and right, and cannot be fairly controverted. Congress may then do any thing. Nay, if the principles now advocated are right, it is the duty of the Legislature of the Union to make all laws, not only those that are necessary and proper to carry the powers of the Government into effect, but all laws which are convenient, expedient, and beneficial to the United States. Then where is your Constitution? Are we not now sitting, in our sober discretion, a General Government, without the semblance of restraint? Yes, said he, we have still a Constitution, but where is it to be found? Is it written? No. Is it among the archives? No. Where is it? It is found in the sober discretion of the Legislature—it is registered in the brains of the majority!

He proceeded. I say there is no necessity, there is no occasion, for this Bank. The States will institute Banks which will answer every purpose. But a distrust of the States is shown in every movement of Congress—will not this implant distrust also in the States? Will you gain by this contest? This scheme may give, and I am convinced will give, partial advantages to the States. In the fair administration of our Government, no partial advantages can be given; but, by this bill, a few stockholders may institute Banks in particular States, to their aggrandizement and the oppression of others. This Bank will swallow up the State Banks; it will raise in this country a moneyed interest at the devotion of Government; it may bribe both States and individuals. He said, gentlemen asked who would be offended or hurt by this plan? Have we heard any complaints against it? Have the newspapers reprobated it? These questions had no influence on his mind. He said it was one of those sly and subtle movements which marched silently to its object; the vices of it were at first not palpable or obvious; but when the people saw a distinction of Banks created—when they viewed with astonishment the train of wealth which followed individuals, whose sudden exaltation surprised even the possessors—they would inquire how all this came about? They will then examine into the powers by which these phenomena have arisen, and they will find—they will reprobate the falsehood of the theories of the present day.

He said, that gentlemen had told us of the sudden irruptions of enemies. When those necessities arrive, it is time enough to make use of them to break your Constitution. But, gentlemen say, upon emergencies the Bank will loan money. We differ in opinion. I think when we want it most the Bank will be most unable and unwilling to lend. If we are in prosperity, we can borrow money almost any where; but in adversity, stockholders will avoid us with as much caution as any other capitalists.

But a gentleman (Mr. AMES) tells us not to be alarmed, the Bank will not eat up liberty—he

said he was not afraid. He was not under any apprehensions that all the little influence that Congress possessed would destroy the great spirit of American liberty. The body of the people would laugh at and ridicule any attempt to enslave them; but a conduct which had that tendency might arouse alarming passions. He said, there existed at this moment ill-blood in the United States, which to quiet he would readily agree to enter into a foreign war. America with us, we might defy the world. There was but one people he was afraid of offending. This was America. He was not afraid of foreign enemies, but the resentment of our own country is always a subject of serious apprehension. He observed, that there were other parts of this important and diffusive subject which he might have touched, but he had fatigued himself and the House.

Mr. SMITH (S. C.) said, as he had been greatly misunderstood by the gentleman last up, he wished to explain the position he had laid down. He had never been so absurd as to contend, as the gentleman had stated, that whatever the Legislature thought expedient, was therefore constitutional. He had only argued that, in cases where the question was, whether a law was necessary and proper to carry a given power into effect, the members of the Legislature had no other guide but their own judgment, from which alone they were to determine whether the measure proposed was necessary and proper to carry the powers vested in Congress into full effect. If, in such cases, it appeared to them, on solemn deliberation, that the measure was not prohibited by any part of the Constitution, was not a violation of the rights of any State or individual, and was peculiarly necessary and proper to carry into operation certain essential powers of the Government, it was then not only justifiable on the part of Congress, but it was even their duty to adopt such measure. That, nevertheless, it was still within the province of the Judiciary to annul the law, if it should be by them deemed not to result by fair construction from the powers vested by the Constitution.

MONDAY, February 7.

#### USEFUL ARTS.

Mr. WHITE, from the committee appointed for that purpose, reported a bill to amend an act, entitled "An act to promote the progress of the useful arts," which was read the first time.

On motion of Mr. HEISTER, the memorial of a number of public creditors, who are holders of loan-office certificates received for loans of paper money, was referred to a select committee of five; Messrs. SHERMAN, GERRY, HEISTER, BENSON, and GALE.

#### BANK OF THE UNITED STATES.

The House resumed the consideration of the bill for incorporating the Bank of the United States.

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The question being on the passage of the bill, Mr. GILES.—In the course of discussing the present important question, it has been several times insinuated that local motives, and not a candid and patriotic investigation of the subject upon its merits, have given rise to that difference of opinion which has been heretofore manifested in this House. I shall not examine the truth of this observation, but merely remark, that the causes which may have produced the arguments against the proposed measure, whatever they be, can neither add to, nor take from, their merit or influence; and, of course, the insinuations might have been spared without injury to the subject; but so far as the observation may have been intended to apply to myself, I can truly say, that if a bias were to influence my conduct, it would rather direct it to favor, than to oppose the proposed measure. This bias would arise from two causes: the one from the respect which I entertain for the judgments of the majority who advocate the measure; the other of a more serious nature. I have observed with regret a radical difference of opinion between gentlemen from the Eastern and Southern States, upon great Governmental questions, and have been led to conclude, that the operation of that cause alone might cast ominous conjecture on the promised success of this much valued Government. Mutual concessions appear to be necessary to obviate this effect, and I have always been pleased in manifesting my disposition to make advances; but, from the most careful view of the arguments in favor of the proposed measure, considered under this impression, they do not seem to me sufficient to establish the propriety of its adoption; and I am therefore impelled, by the joint influence of duty and opinion, to be one in the opposition.

A gentleman from Massachusetts (Mr. AMES) prefaced his observations with this remark, that it is easier to point out defects and raise objections to any proposed system, than to defend it from objections, and prove its affirmative propriety, and warned the House against the effects of arguments of this nature, urged in opposition to the measures now under consideration. I agree with the gentleman in this idea in general, but we should reflect that in the present case the address of the arguments in favor of the measure is made to one of the strongest affections of the human mind, the love of dominion; and hence we may justly conclude, that they will be received and relished with their full and unabated influence. This reflection appears to me to be at least a counterpoise to that remark.

The advocates of this bill have been called on, and I conceive with propriety, to show its constitutionality and expediency, both of which have been doubted by those of the opposition. In support of the first position, a multitude of arguments have been adduced, all of which may be reducible to the following heads: such as are drawn from the Constitution itself; from the incidentality of this authority to the mere

creation and existence of Government; from the expediency of the measure itself; and from precedents of Congress; to which may be added a similar exercise of authority by Congress, under the former Confederation.

Observations arising from the Constitution itself, were of two kinds. The right of exercising this authority is either expressed in the Constitution, or deducible from it by necessary implication. One gentleman only, from Massachusetts, (Mr. SEGWICK,) has ventured to assert, that, discarding the doctrine of implication, he could show that the right to exercise the authority contended for was expressly contained in the Constitution. This, I presume, must have been a mistake in language, because the difference between an express and an implied authority appears to me to consist in this—in the one case, the natural import of the words used in granting the authority would of themselves convey a complete idea to the mind of the authority granted, without the aid of argument or deduction; in the other, to convey a complete idea to the mind, the aid of argument and deduction is found necessary to the usual import of the words used; and that gentleman proceeded with a labored argument to prove, that the authority was expressly granted, which would have been totally useless, if his assertion had been just.

[Mr. SEGWICK rose to explain; he never conceived the authority granted by the express words of the Constitution, but absolutely by necessary implication from different parts of it.]

I shall not contend as to the assertion, but shall proceed to consider the arguments in favor of the measure upon the doctrine of implication; which, indeed, are those only which deserve consideration.

In doing this, I shall consider the authority contended for to apply to that of granting charters to corporations in general, for I do not recollect any circumstance, and I believe none has been pretended, which could vary this case from the general exercise of that authority. To establish the affirmative of this proposition, arguments have been drawn from several parts of the Constitution; the context has been resorted to. "We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity," &c. It has been remarked, that here the ends for which this Government was established are clearly pointed out; the means to produce the ends are left to the choice of the Legislature, and that the incorporation of a Bank is one necessary mean to produce these general ends. It may be observed, in reply, that the context contemplates every general object of Government whatever; and if this reasoning were to be conclusive, every object of Government would be within the authority of Congress, and the detail of the Constitution would have been wholly unnecessary, further than to desig-

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nate the several branches of the Government which were to be entrusted with this unlimited, discretionary choice of means, to produce these specified ends. The same reasoning would apply as forcibly to every clause of the Constitution, restraining the authority of Congress to the present case, or to any one in which the Constitution is silent. The only candid construction arising from the context appears to me to be this: it is designed, and it is the known office of every member to point out the great objects proposed to be answered by the subsequent regulations of which the Constitution is composed. These regulations contain the means by which these objects are presumed to be best answered. These means consist in a proper distribution of all governmental rights between the Government of the United States and the several State Governments, and in fixing limits to the exercise of all authorities granted to the Government of the United States. The context, therefore, gives no authority whatever, but only contemplates the ends for which certain authorities are subsequently given. Arguments drawn from this source appear to me to be ineffectual in themselves, and the reliance of gentlemen upon them indicates a suspicion and distrust of such as may be drawn from other parts of the Constitution. The advocates of the bill have turned away from this context, and have applied to the body of the Constitution in search of arguments. They have fixed upon the following clauses, to all or some one of which they assert the authority contended for is clearly incidental: the right to lay and collect taxes, &c. &c.—to provide for the common defence and general welfare, &c.—to borrow money, &c.—to regulate commerce with foreign nations, &c. The bill contemplates neither the laying nor collecting taxes, and, of course, it cannot be included in that clause; indeed, it is not pretended, by the bill itself, to be at all necessary to produce either of those ends; the furthest the idea is carried in the bill is, that it will tend to give a facility to the collection. The terms “common defence and general welfare,” contain no grant of any specific authority, and can relate to such only as are particularly enumerated and specified. “To borrow money.” Gentlemen have relied much upon this clause; their reasoning is, that a right to incorporate a Bank is incidental to that of borrowing money, because it creates the ability to lend, which is necessary to effectuate the right to borrow. I am at a loss to discover one single relation between the right to borrow, and the right to create the ability to lend, which is necessary to exist between principle and incident. It appears to me, that the incidental authority is paramount to the principal, for the right of creating the ability to lend, is greater than that of borrowing from a previously existing ability. I should, therefore, rather conclude, that the right to borrow, if there be a connexion at all, would be incidental to the right to grant charters of incorporation, than the reverse

of that proposition, which is the doctrine contended for by the advocates of the measure. The same reasoning which would establish a right to create the ability to lend, would apply more strongly to enforce the will after the ability is created; because the creator would have a claim of gratitude at least upon the created ability, which, if withheld, perhaps with justice might be insisted on. “To regulate commerce with foreign nations.” This is by no means a satisfactory ground for the assumption of this authority; for if it be deemed a commercial regulation, there is a clause in the Constitution which would absolutely inhibit its exercise. I allude to that clause which provides that no preference shall be given by any regulation of commerce or revenue to the ports of one State over those of another; and it seems to be admitted, that one principal effect to be produced by the operation of this measure, will be to give a decided commercial preference to this port over every other in the United States.

Gentlemen finding it difficult to show that necessary relation and intimate connexion between the authority contended for, and any one of the specified authorities before mentioned, which would be essential to the establishment of their doctrine, have referred to what has been generally called the sweeping clause, and have made deductions from the terms “necessary” and “proper;” they have observed, that certain specified authorities being granted, all others necessary to their execution follow without any particular specification. This observation may in general be true, but its fallacy here consists in its application to this particular case. It cannot be applied until the exercise of this authority be proved to be necessarily connected with some one of the previously enumerated authorities; and here the argument, as well as the fact, fails. The authority contended for seems to me to be a distinct substantive branch of legislation, and perhaps paramount to any one of the previously enumerated authorities, and should, therefore, not be usurped as an incidental subaltern authority.

I am confirmed in this opinion, from the indistinct confused conceptions of gentlemen who advocate the measure. They rely upon the incidentality of this authority to some one of those particularly specified, and yet have applied it as an incident to several distinct, unconnected, subjects of legislation; and then, distrusting their own conclusions, or as if the inquiry would be too troublesome or minute, they leave this ground, and assert that it is incidental to the result of the whole combined specified authorities. Gentlemen must, therefore, view this right through different optics, at different times; or, what I rather believe to be the fact, they have no distinct view of it at all, the right having no existence.

A gentleman from Massachusetts (Mr. SEDGWICK) finding the usual import of the terms used in the Constitution to be rather unfavorable to the doctrines advanced by him, has fa-



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vored us with a new exposition of the word "necessary." He says that necessary, as applicable to a mean to produce an end, should be construed so as to produce the greatest possible quantum of public utility. I have been taught to conceive that the true exposition of a necessary mean to produce a given end was that mean without which the end could not be produced.

The gentleman's reasoning, however, if pursued, will be found to teem with dangerous effects, and would justify the assumption of any given authority whatever. Terms are to be so construed as to produce the greatest degree of public utility. Congress are to be the judges of this degree of utility. This utility, when decided on, will be the ground of constitutionality. Hence, any measure may be proved constitutional, which Congress may judge to be useful. These deductions would suborn the Constitution itself, and blot out the great distinguishing characteristic of the free Constitutions of America, as compared with the despotic Governments of Europe, which consist in having the boundaries of governmental authority clearly marked out and ascertained. The exclusive jurisdiction over ten miles square has been adverted to by one gentleman (Mr. AMES) as a specified authority, to which the one contended for is suggested to be incidental; he has reasoned in this manner: Congress possess jurisdiction over ten miles square, &c., Congress may therefore establish a Bank within the ten miles square, and, as principle is not applicable to place, Congress may exercise the same authority any where else. This seems to me to be an ingenious improvement upon sophistical deduction; the gentleman, however, should have reflected, that the ground upon which he built the right to exercise this authority, was that of exclusive jurisdiction, and to extend the principle it is necessary to extend the right of exclusive jurisdiction; without this, the basis of his argument fails, and the superstructure, however beautified, must follow; for the principle, if at all deducible from that source, is expressly confined to place, and cannot operate beyond it.

I shall now consider the second resource, whence the constitutional right of exercising the proposed authority is derived—its incidentality to the mere creation and existence of Government. It has been observed, that in all Governments there are certain rights tacitly granted, and certain other rights retained; that it is impossible, in framing a Constitution, to enumerate every minute governmental right, and that such an attempt would be chimerical and vain. And hence the incidentality of this authority to the mere existence of Government is inferred. These observations seem to me to apply to a Government growing out of a State of society, and not to a Government composed of chartered rights from previously existing Governments, or the people of those Governments. I have been taught to consider this as a federal,

not as a consolidated Government, and am not prepared or disposed at present to relinquish that idea. A gentleman from New York (Mr. LAWRENCE) has remarked, that the Government is consolidated *quoad* the powers granted, and of course *quoad* their incidents; but he should first have shown that the authority contended for is one of those granted, or incidental to some one of them, before the application can be made. The observation can have no tendency to establish either of those positions. What effect would this doctrine, if admitted, have upon the State Governments? And how would it be relished by them? Their dignity and consequence will not only be prostrated by it but their very existence radically subverted. A third resource of deducing this constitutional authority is resorted to—the expediency of the proposed measure itself. I presume the great object of the Constitution was to distribute all governmental rights between the several State Governments and the Government of the United States; the expediency, therefore, of the exercise of all constitutional rights, as they relate to State or General Governments, is properly contemplated and decided by the Constitution, and not by the Governments among which the distribution is made. A gentleman from South Carolina (Mr. SMITH) has said, that the expediency and constitutionality of the proposed measure cannot be considered separately, because the constitutionality grows out of the expediency. This is but candidly unveiling the subject of that sophistical mask which has been ingeniously thrown over it by some gentlemen; for all the arguments adduced in favor of the measure, from whatever source they arise, if pursued, will be found to rush into the great one of expediency, to bear down all constitutional provisions, and to end themselves in the unlimited ocean of despotism.

Several gentlemen have said, that this authority may be safely exercised, since it does not interfere with the rights of States or individuals. I think this assertion not very correct; if the States be constitutionally entitled to the exercise of this authority, it is an intrusion on their rights to do an act which would eventually destroy or impede the freest exercise of that authority; for it is totally immaterial whether the effect be produced by the operation of this, or by an inhibition in express terms. The States may not only incorporate banks, but may of right prohibit the circulation of bank paper within their respective limits; the act, therefore, if it be intended to have an effectual operation, will certainly infringe this right, or exist at the mercy of the State Governments. This reasoning, however, places the subject in another point of view a little singular. It contemplates the authority contended for as vacant ground, and justifies the tenure by the mere title of occupancy. In almost all the remarks in favor of the measure, gentlemen seem to have forgotten the peculiar nature of this Government. It being composed of mere charter-

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ed authorities, all authority not contained within that charter would, from the nature of the grant, have been retained to the granting party; and I will venture to assert, that this opinion was the *sine qua non* of the adoption and existence of this Government; but if this opinion had been doubtful, Congress themselves have made an express declaration in favor of this construction to the proposed amendments to the Constitution. Gentlemen have inferred a constitutional right to exercise the authority contended for from a fourth resource—the former usages and habits of Congress. In affirmance of this argument, several acts of Congress have been referred to—the power of removal from office, the government of the Western Territory, the cession from North Carolina, the purchase of West Point, &c. I shall not examine into the propriety of these several acts, though I conceive it would not be difficult to show, that they differ materially, upon constitutional grounds, from the one now proposed. I shall only remark, that, if Congress have heretofore been in the usage and habit of disregarding and violating the Constitution, it is high time that that habit and usage be corrected. I hope and trust that the people of the United States will not tamely see the only security of their rights and liberties invaded and violated, but also see one violation of it with impunity boldly urged as an argument to justify another.

An instance of a similar exercise of authority by the Congress, which existed under the former Confederation, has been mentioned in favor of its exercise by the present Congress. The argument has been, that as the powers of the present Congress are greater than those of the former Congress, and the former were competent to the exercise of this right, the present must be more so. It is to be remarked, that that act was the child of necessity, and that Congress doubted its legitimacy, and the act itself was never confirmed by a judicial decision; and it should be also remarked, that the same Congress did not pretend to possess the right to punish those who should counterfeit the paper of the bank, and recommended it to the States to confirm the act which they had done, and to pass laws for the purpose of punishing those who should counterfeit the paper; and it is a little remarkable that this circumstance, which is one of the most essential to the existence and operation of this act, is withheld from our view. But as I think arguments drawn from this source wholly foreign to the subject, I shall make no other remark upon them. I shall now suggest a few observations respecting the expediency of the proposed measure. In doing this I shall not say any thing as to the utility of banks in general, nor as to the effects of the banks of England, Scotland, Holland, &c. I possess not sufficient practical or theoretical knowledge to justify the inquiry; I shall only point out a few circumstances which are peculiarly attached to the Government we are now administering, which

might vary the application of general rules drawn from Governments of a different nature, and which possess the unquestioned right of granting charters of incorporation.

In the first place, the right of exercising that authority by the Government is at least problematical, it is no where granted in express terms; the Legislature, therefore, can have no competent security against a judicial decision but a dependant or a corrupt court. I presume that a law to punish with death those who counterfeit the paper emitted by the bank will be consequent upon the existence of this act. Hence a judicial decision will probably be had of the most serious and awful nature; the life of an individual at stake on the one hand, an improvident act of the Government on the other. A distrust arising from this cause will for ever keep the bank in jeopardy, and the very first trial of this nature will probably subject the bank to a ruin which it will be unable to withstand; for all stockholders will require the greatest possible security for their money, and a distrust of such an institution will be its destruction. This observation seems to me to have peculiar force, from the great proportion of paper to that of gold and silver, upon which the bank is proposed to be founded. The peculiar relation between the General and State Governments will naturally produce a contest for governmental rights, until long experience shall settle the precise boundaries between them. The present measure appears to me to be an unprovoked advance in this scramble for authority, and a mere experiment how far we may proceed without involving the opposition of the State Governments. It should be remarked that this Government is in its childhood; it is therefore unfitted for such bold and manly enterprises, and policy would dictate that it should wait at least until it may have become more matured or invigorated. Two modes of administering this Government present themselves; the one with mildness and moderation, by keeping within the known boundaries of the Constitution, the other by the creation and operation of fiscal mechanism; the first will ensure us the affections of the people, the only natural and substantial basis of Republican Governments; the other will arise and exist in oppression and injustice, will increase the previously existing jealousies of the people, and must be ultimately discarded, or bring about a radical change in the nature of our Government. Having suggested these observations upon the measure in general, I shall now proceed to point out a few objections to the details of the bill. I think the authority given to the bank to purchase and hold lands objectionable; in the first place, I doubt the constitutional right of Congress to invest such an authority; the lands within the United States are holden of the individual States, and not of the United States; and that tenure appears to me to be the true ground upon which the right to exercise that authority grows. I believe it

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is admitted, that although Congress may naturalize a foreigner they cannot authorize him to purchase lands; and I think the case at least as strong, when they first create an artificial person, and then invest the authority; besides, if we have any reference to the experience of other countries, we shall find it dangerous to allow incorporated bodies to hold lands at all. The exercise of that right produced great oppression in England, and nothing but the masterly activity of an absolute Prince could apply a competent remedy. A gentleman from Massachusetts (Mr. SEDGWICK) has denied that the bank is invested with this right. It is true it is confined to the mode of purchasing by mortgage, but that is the most effectual mode of purchasing, and the most ruinous to the landholder.

I will merely mention one other objection without a comment—the authority given to make laws not contrary to law or its own Constitution; but the most objectionable clause is that which limits its duration, and pledges the faith of the United States that no other bank shall be established in the mean time, however dangerous and offensive the present measure might prove in its operation, and whatever may be the utility and advantage in any other scheme of banking which experience may suggest. Such a stipulation cannot be justified but from the most pointed necessity, and from the maturest deliberation. When I search for the necessity of this measure, it escapes me; it is not pretended in the bill itself; the chief stimulus which I can discover to the existence of this measure is to give artificial impulse to the value of stock. This is not a sufficient justification; the subject has not been sufficiently considered, and I therefore hope it may be postponed to some future session of Congress; many evils may be avoided by such a conduct, none can result from it.

Mr. GERRY said, he should principally confine himself to the objections of the gentleman first up from Virginia, (Mr. MADISON,) not from a disrespect to the observations of other gentlemen in the opposition, but because he considered their arguments as grafts on the original stock of those urged by the gentleman alluded to, and if the trunk fell, its appendages must fall also.

The objects of the bill were to render the fiscal administration successful, to give facility to loans on sudden emergencies, and to benefit trade and industry in general; and that these were objects of high importance had not been denied, neither had it been asserted that they ought not, if possible, to be attained.

It is objected, however, that the mode proposed by the bill is unconstitutional, and the bill itself defective.

The mode proposed is a National Bank; to establish which he thought Congress were as competent as either House were to adjourn from day to day.

It is said that Congress have no power relat-

ing to this subject, except what is contained in the clauses for laying and collecting taxes, imposts, excises, &c.; for borrowing money, and for making all laws necessary and proper for carrying these powers into effect; and that these do not authorize the establishment of a National Bank.

To ascertain this, the gentleman from Virginia proposes a candid interpretation of the Constitution, which we shall agree to, and he offers to assist us with his rules of interpretation, for his good intentions in doing which we give him full credit; but as he acknowledges that he has been long decided against the authority of Congress to establish a bank, and is therefore prejudiced against the measure; as his rules, being made for the occasion, are the result of his interpretation, and not his interpretation of the rules; as they are not sanctioned by law exposition, or approved by experienced judges of the law, they cannot be considered as a criterion for regulating the judgment of the House, but may, if admitted, prove an *ignis fatuus* that may lead to destruction.

We wish not, however, by establishing our own rules of interpretation, to enjoy the privilege which is denied to the gentleman, but will meet him on fair ground, by applying rules which have the sanction mentioned; and as the learned *Judge Blackstone* has laid down such, it is presumed the gentleman from Virginia will not contend for a preference, or refuse to be tried by this standard.

The Judge observes, “That the fairest and most rational method to interpret the will of the Legislature is by exploring his intentions at the time when the law was made by signs the most natural and probable; and these signs are either the words, the context, the subject-matter, the effect and consequence, or the spirit and reason of the law.” With respect to words, the Judge observes, that “they are generally understood in their usual and most ordinary signification, not so much regarding the grammar as their general and popular use.”

The gentlemen on different sides of the question do not disagree with respect to the meaning of the terms *taxes, duties, imposts, excises, &c.* or of *borrowing money*, but of the word *necessary*: and the question is, what is the general and popular meaning of this term? Perhaps the answer to the question will be truly this, that in a general and popular one the word does not admit of a definite meaning, but that this varies according to the subject and circumstances. With respect to the subject for instance, if the people, speaking of a garrison besieged by a superior force, and without provisions, or a prospect of relief, should say it was under the necessity of surrendering, they would mean a physical necessity, for troops cannot subsist long without provisions; but if speaking of a debtor, the people should say, he was frightened by his creditor, and then reduced to the necessity of paying his debts, they would mean a legal, which is very different from a

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physical necessity; for although the debtor, by refusing payment, might be confined, he would be allowed subsistence, and the necessity he was under to pay his debts would not extend beyond his confinement. Again, if it should be said that a client is under the necessity of giving to his lawyer more than legal fees, the general popular meaning of necessity would, in this instance, be very different from that in the other; the necessity would neither be physical nor legal, but artificial, or, if I may be allowed the expression, a long-robe necessity.

The meaning of the word "*necessary*" varies also according to circumstances; for although Congress have power to levy and collect taxes, duties, &c., to borrow money, and to determine the time, quantum, mode, and every regulation necessary and proper for supplying the Treasury, yet the people would apply a different meaning to the word necessary under different circumstances. For instance, without a sufficiency of precious metals for a medium, laws creating an artificial medium would be generally thought necessary for carrying into effect the power to levy and collect taxes; but if there was a sufficiency of such metals, those laws would not generally be thought necessary. Again, if specie was scarce, and the credit of the Government low, collateral measures would be by the people thought necessary for obtaining public loans; but not so, if the case was reversed. Or, if part of the States should be invaded and overrun by an enemy, it would be thought necessary to levy on the rest heavy taxes, and collect them in a short period, and to take stock, grain, and other articles from the citizens without their consent, for the common defence; but in a time of peace and safety, such measures would be supposed unnecessary. Instances may be multiplied in other respects; but it is conceived that these are sufficient to show that the popular and general meaning of the word "*necessary*" varies according to the subject and circumstances.

The second rule of interpretation relates to the *context*, and the Judge conceives that "if words are still dubious, we may establish their meaning by the context; thus the preamble is often called in to help the construction of an act of Parliament." The Constitution, in the present case, is the great law of the people, who are themselves the sovereign Legislature; and the preamble is in these words: "We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

These are the objects for which the Constitution was established, and in administering it we should always keep them in view. And here it is remarkable, that although the common defence and general welfare are held up in the preamble among the primary objects of atten-

tion, they are again mentioned in the eighth section of the first article, whereby we are enjoined in levying taxes, duties, &c. particularly to regard the common defence and general welfare; indeed common sense dictates the measure; for the security of our property, families, and liberty—of every thing dear to us, depends on our ability to defend them. The means, therefore, for attaining this object we ought not to omit a year, month, or even a day, if we could avoid it; and we are never provided for defence unless prepared for sudden emergencies. Should Government be surprised in this case, it would be as dishonorable as for a general to be surprised in a state of warfare, and the event to the community may be much more fatal. If provision then for sudden emergencies is indispensable, it must be evident that it will depend in a great measure on the ability of the Government to command at all times, for this purpose, a sufficient sum of money, which is justly denominated the sinews of war: and how is this to be effected? by emissions of bills of credit? During the Revolution, bills of credit, it must be acknowledged, have done wonders; they have, in conflict with the banks, Treasury, and public credit of Great Britain, risen superior to them all, and have since died a natural death. We have honored them with a funeral pile; we now bid peace to their manes, and devoutly hope that bills of credit will for ever be extinct in the United States. Are we to depend, then, on taxes for commanding money in cases of urgent necessity? These, as has been shown by other gentlemen, will be too slow in their operations, unless, indeed, we should levy a tax for drawing into and locking up in the Treasury three or four millions of dollars; a law which would be universally considered as unnecessary and improper.

By loans, and loans only, can provision be made for sudden emergencies; but if loans should be made previously to an emergency, the people would be unnecessarily burdened by the interest thereof, and most of the other evils would ensue that would arise from previous taxes; and if they were to be made at an emergency, without previous arrangements, of whom are we to borrow? Of individuals? These cannot be depended on, as has been fully proved by our own experience at the commencement of the Revolution. Are we to apply to the banks already established in the States for loans? These can no more be depended upon than individuals; for stockholders having not more attachment to Government than other citizens, would, in cases of public danger, attend to the preservation of their property by other means than loaning it to Government. And moreover, the united capitals of all the banks existing in the Union would be insufficient for Government, for they do not amount to a million and a half of dollars, and only a part in this could, in any case, be reasonably expected on loan.

Are we to apply to foreign banks or indivi-

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duals? These, as has been shown, are too remote; and if not, we have not been able, without the assistance of an ally, to obtain foreign loans during the war, and perhaps the power in whose assistance we may rely would be hostile to us. Such dependance, then, as has been stated, would necessarily leave us in a deplorable state; and it must be evident that a previous arrangement to aid loans in cases of sudden emergency is necessary and proper in the general and popular use of the term, inasmuch as any other measure that Congress can adopt would be inadequate to the purpose of common defence; and what previous arrangement can we make so proper as that of a National Bank? If gentlemen in the opposition know of any, let them produce it, and let the merits of it be investigated; for it is unreasonable to propose a rejection of this plan without producing a better. The plan proposed by the Secretary of the Treasury, which is now the subject of discussion, does honor, like all his other measures, to his head and heart; it will be mutually beneficial to the stockholders and to Government, and consequently so to the people. The stockholders by this plan will be deeply interested in supporting Government; because three quarters of their capital, consisting of funded certificates, depend on the existence of Government, which therefore is the prop of their capital, the main pillar that supports the bank. Again, the credit of Government, which is immaterial to the other banks, is essential to the National Bank, for the annual interest of three quarters of its capital, which must form a great share of its profits, will depend altogether on the credit of Government, and produce, on the part of the stockholders, the strongest attachment to it. On the other hand, it will be the interest of Government to support the bank, as well on account of the benefits which the public will generally derive from the institution, and the profits arising from the shares of Government in the stock which will be hereafter noticed, as of the supplies of money which it will be for the interest of the bank to furnish in cases of urgent necessity. Whenever these exist, Congress may lay a tax for supplying the Treasury, and anticipate it with certainty by means of the National Bank. It being then our duty to provide for the common defence in cases of emergency, the provision must evidently be made by taxes, loans, or by arrangements for obtaining the latter on the earliest notice; and previous taxes and loans being oppressive, improper, and unnecessary, the arrangements for aiding loans become indispensable, and a bank consequently necessary and constitutional.

The third rule of the Judge, relative to the "subject-matter" of a law, it is unnecessary to apply, because the members agree in their ideas relative to the meaning of the terms taxes, duties, loans, &c.

The fourth rule, which relates to "effects and consequences," is important; and here the learned Judge observes that "as to effects and

consequences, the rule is, where the words bear none, or a very absurd signification, if literally understood, we must a little deviate from the received sense of them." In the present case, the gentlemen in the opposition generally, as well as the gentleman first up from Virginia, give the whole clause by which Congress are authorized "to make all laws necessary and proper," &c. no meaning whatever; for they say, the former Congress had the same power under the Confederation without this clause as the present Congress have with it. The *Federalist* is quoted on this occasion, but although the author of it discovered great ingenuity, this part of his performance I consider as a political heresy. His doctrine, indeed, was calculated to lull the consciences of those who differed in opinion with him at that time; and having accomplished his object, he is probably desirous that it may die with the opposition itself. The rule in this case says, that where the words bear no signification, we must deviate a little; and as this deviation cannot be made by giving the words less than no meaning, it must be made by a more liberal construction than is given by gentlemen in the opposition. Thus their artillery is turned on themselves, for their own interpretation is an argument against itself.

The last mentioned rule relates to the spirit and reason of the law, and the Judge is of opinion "that the most universal and effectual way of discovering the true meaning of a law, when the words are dubious, is by considering the reason and spirit of it, or the cause which moved the Legislature to enact it." The causes which produced the Constitution were an imperfect Union, want of public and private justice, internal commotions, a defenceless community, neglect of the public welfare, and danger to our liberties. These are known to be the causes not only by the preamble of the Constitution but also from our own knowledge of the history of the times that preceded the establishment of it. If these weighty causes produced the Constitution, and it not only gives power for removing them, but also authorizes Congress to make all laws necessary and proper for carrying these powers into effect, shall we listen to assertions that these words have no meaning, and that this Constitution has not more energy than the old? Shall we thus unnerve the Government, leave the Union, as it was under the Confederation, defenceless against a banditti of Creek Indians, and thus relinquish the protection of its citizens? Or shall we, by a candid and liberal construction of the powers expressed in the Constitution, promote the great and important objects thereof? Each member must determine for himself; I shall without hesitation choose the latter, and leave the people and States to determine whether or not I am pursuing their true interest. If it is inquired where we are to draw the line of a liberal construction, I will also inquire where the line of restriction is to be drawn?

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The interpretation of the Constitution, like the prerogative of a sovereign, may be abused; but from hence the disuse of either cannot be inferred. In the exercise of prerogative the minister is responsible for his advice to his sovereign, and the members of either House are responsible to their constituents for their conduct in construing the Constitution. We act at our peril; if our conduct is directed to the attainment of the great objects of Government it will be approved, and not otherwise; but this cannot operate as a reason to prevent our discharging the trusts reposed in us.

Let us now compare the different modes of reasoning on this subject, and determine which is right, for both cannot be.

The gentleman from Virginia (MR. MADISON) has urged the dangerous tendency of a liberal construction; but which is most dangerous, a liberal or a destructive interpretation? The liberty we have taken in interpreting the Constitution, we conceive to be necessary, and it cannot be denied to be useful in attaining the objects of it; but whilst he denies us this liberty, he grants to himself a right to annul part, and a very important part of the Constitution. The same principle that will authorize a destruction of part will authorize the destruction of the whole of the Constitution; and if gentlemen have a right to make such rules, they have an equal right to make others for enlarging the powers of the Constitution, and indeed of forming a despotism. Thus, if we take the gentleman for our pilot, we shall be wrecked on the reef which he cautions us to avoid.

The gentleman has referred us to the last article of the amendments proposed to the Constitution by Congress, which provides that the powers not delegated to Congress, or prohibited to the States, shall rest in them or the people; and the question is, what powers are delegated? Does the gentleman conceive that such only are delegated as are expressed? If so, he must admit that our whole code of laws is unconstitutional. This he disavows, and yields to the necessity of interpretation, which, by a fair and candid application of established rules of construction to the Constitution, authorizes, as has been shown, the measure under consideration.

The usage of Congress has also been referred to; and if we look at their acts under the existing Constitution, we shall find they are generally the result of a liberal construction. I will mention but two. The first relates to the establishment of the Executive Departments, and gives to the President the power of removing officers. As the Constitution is silent on this subject, the power mentioned, by the gentleman's own reasoning, is vested in the States or the people; he, however, contended for an assumption of the power, and when assumed, urged that it should be vested in the President, although, like the power of appointment, it was by a respectable minority in both Houses conceived that it should have been vested in the

President and Senate. His rule of interpretation then was therefore more liberal than it is now. In the other case, Congress determined by law, with the sanction of the President, when and where they should hold their next session, although the Constitution provides that this power should rest solely in the two Houses. The gentleman also advocated this measure, and yet appears to be apprehensive of the consequences that may result from a construction of the Constitution which admits of a National Bank. But from which of these measures is danger to be apprehended? The only danger from our interpretation would be the exercise by Congress of a general power to form corporations; but the dangers resulting from the gentleman's interpretations, in the cases alluded to, are very different; for what may we not apprehend from the precedent of having assumed a power on which the Constitution was silent, and from having annexed it to the Supreme Executive? If we have this right in one instance, we may extend it to others, and make him a despot. And here I think it necessary to declare, that such is my confidence in the wisdom, integrity, and justice of the Chief Magistrate, as that I should be at ease, if my life, liberty, and property were at his disposal; but this is a trust which I am not authorized to make for my constituents; and as his successors in office will possess equal powers, but may not possess equal virtues, caution with respect to them is necessary. Again, what may be the result of the precedent relating to the session of Congress? If we had a right by law to determine where the next Congress should hold their session, one Congress may oblige another to sit in Kentucky, or in the intended State Yazoo, under the protection of a Choctaw chief, or His Excellency Governor Tallan. It must therefore be evident that the usage of Congress in both instances is against the gentleman, and that the dangers from the precedent of establishing a bank are comparatively small to those resulting from the other measures referred to.

The gentleman from Virginia has endeavored to support his interpretation of the Constitution by the sense of the Federal Convention; but how is this to be obtained? By applying proper rules of interpretation? If so, the sense of the Convention is in favor of the bill; or are we to depend on the memory of the gentleman for a history of their debates, and from thence to collect their sense? This would be improper, because the memories of different gentlemen would probably vary, as they had already done, with respect to those facts; and if not, the opinions of the individual members who debated are not to be considered as the opinions of the Convention. Indeed, if they were, no motion was made in that Convention, and therefore none could be rejected for establishing a National Bank; and the measure which the gentleman has referred to was a proposition merely to enable Congress to erect commercial



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corporations, which was, and always ought to be, negatived.

The gentleman's arguments respecting the sense of the State Conventions have as little force as those relating to the Federal Convention. The debates of the State Conventions, as published by the short-hand writers, were generally partial and mutilated; in this, if the publications are to be relied on, the arguments were all on one side of the question, for there is not in the record which is said to contain the Pennsylvania debates a word against the ratification of the Constitution; although we all know that arguments were warmly urged on both sides. The gentleman has quoted the opinions, as recorded in the debates of this State and North Carolina, of two of our learned judges; but the speech of one member is not to be considered as expressing the sense of a Convention; and if it was, we have no record which can be depended on of such speeches. Indeed, had even this been the case, the Union was at that time divided into two great parties, one of which feared the loss of the Union if the Constitution was not ratified unconditionally, and the other the loss of our liberties, if it was. The object on either side was so important as perhaps to induce the parties to depart from candor, and to call in the aid of art, flattery, professions of friendship, promises of office, and even good cheer; and when these failed, the *federal Bull* was published, denouncing political death and destruction to antifederal infidels. Under such circumstances, the opinions of great men ought not to be considered as authorities, and in many instances could not be recognised by themselves.

Mr. G. then observing that the sense of the States respecting a bank would be best ascertained by their legislative acts, showed, from the journals of Congress, that when restrained by the Confederation from exercising any powers but what were expressly delegated, Congress had, without any authority, established a bank whose capital might extend to ten millions of dollars; and had not only pledged the faith of the Union not to erect any other, but had recommended it to the States to prohibit any State establishment of the kind, and had also determined that the bank bills should be receivable in the taxes and duties of every State. That the States did not remonstrate against, or tacitly acquiesce in, but actually supported the measures of Congress relative to the bank, whilst the war continued, and after the peace. That this was the strongest evidence the States could give that they thought the measure salutary, and had no objection to it on the ground of its being constitutional. He then urged that if the States and the people at large had no objection to a bank in that case, they certainly could not in this; and inquired whether there was any evidence of their disapprobation of such an institution in the debates of their Conventions or propositions for amendments? To this he answered in the negative, and urged

that whilst the Conventions were silent on this subject, and had no objections to such a measure, several of them had proposed amendments to the Constitution for restraining Congress from establishing commercial corporations; which evinced their disapprobation of such institutions, and admitted at the same time, in some degree, the power of Congress, under the existing Constitution, to form them.

Mr. G. then showed that as a monopoly had been urged as an objection to the bill, no such consequence could result from it; for the bill does not restrain State or private banks, or even individuals, from negotiations of a similar nature with those permitted to the stockholders; nor does it restrain the States from forming similar corporations. This plan has not a feature of monopoly, and the gentlemen who oppose it contend for a bank, which, according to its original institution, was founded in monopoly.

He then answered the argument urged against the authority of Congress to enable corporations to hold lands, when they had no power themselves of purchasing and holding land; and showed that although Congress are restrained from purchasing lands, (except in certain cases,) and from exercising over the same exclusive legislation, yet that they may hold lands obtained by execution, conquest, and by other means as well as by those clauses of the Constitution which relate to lands now belonging to the Union; and that Congress had often invested others with powers which they themselves could not exercise.

He then noticed the argument, that, by a law of Virginia, notes payable to the bearer, or order, could not circulate in that State; and observed that this law could not be supposed to extend to bank notes; and if it did, it would be null and void, because the Constitution of the Union and laws, made in pursuance thereof, were paramount to the laws and Constitutions of the several States. Having considered the arguments against the constitutionality of the bill, he entered into the policy and utility of the measure.

#### TUESDAY, February 8.

Mr. TUCKER, from the committee appointed for the purpose, presented a bill to alter the time of the next meeting of Congress, which was twice read, and ordered to be engrossed.

A message from the Senate informed the House that they have passed the bill making appropriations for the support of the Government for the year 1791.

#### BANK OF THE UNITED STATES.

The House resumed the consideration of the bill for incorporating the Bank of the United States.

The question still being on the passage of the bill,

Mr. VINING apologized for rising to offer his sentiments on this subject, which had been al-

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ready so ably discussed; but considering the nature of the objections as arising from constitutional principles, it had acquired an importance which would justify his troubling the House with some remarks.

He began by noticing the leading argument of Mr. MADISON respecting the sense of the Continental Convention on the power proposed to be exercised by Congress in this bill. He showed that the opinion of the gentleman, in this instance, was, if not singular, different from that of his contemporaries; at least a similar objection had not been started by those gentlemen of the Senate, who had been members of the Convention; but granting that the opinion of the gentleman from Virginia had been the full sense of the members of the Convention, their opinion at that day, he observed, is not a sufficient authority by which for Congress at the present time to construe the Constitution.

Mr. V., in explaining the powers proposed by the bill to be given to the corporation of the Bank, adverted to the particular power of "making rules and regulations not contrary to law." He showed that this term law, means the common law; and alluded to the inquiry of Mr. MADISON, as to what law was intended by this clause, who, in answering his own question, said, "that if the laws of the United States were intended, the power contemplated was dangerous and unconstitutional, as those laws were very few in number."

Mr. V. observed, that the restriction contended for by the gentleman as the result of his objection would annihilate the most essential rights and privileges of the citizens of the United States. He then observed, a corporation is nothing more than constituting a body with powers to effect certain objects in a combined capacity, which an individual may do in his individual capacity, agreeable to the usage and customs of common law.

Adverting to the act by which the United States became a free and independent nation, he said, from that declaration, solemnly recognised at home and abroad, they derive all the powers appertaining to a nation thus circumstanced, and consequently the power under consideration. He traced the origin of corporations to the time of Numa, the first of which was for agricultural purposes; they were afterwards extended to other objects; and from that day to this, all civilized and independent nations have been in the practice of creating them, and what do they amount to but this—enabling a number of persons, in a combined capacity, to do that to a more certain effect that an individual may do; but subject to the control of common law, in all its regulations and transactions.

On the doctrine of construction, as applied to the Constitution, he observed, that on some occasions the Constitution is like the sensitive plant, which shrinks from the smallest touch; on others, it is like the sturdy oak which braves the force of thunder. He referred to the act

containing the power of removability; in which the utmost latitude of construing the Constitution was contended for and adopted; and, said he, the funding system cannot be defended on any other principle than of implication.

He then inquired, of what right does this incorporation deprive a single citizen? And can an act possibly meet the disapprobation of a single person which does not infringe his rights, and which puts money into his pocket? I think not. He insisted that the power of Congress alone was equal to establishing a bank competent to creating a currency which shall pervade all parts of the Union; the paper of the State Banks cannot circulate beyond the bounds of the particular States.

From the restrictions to the Government contended for by the opposers of the bill, he compared the Constitution to a horse finely proportioned in every respect to the eye, and elegantly caparisoned, but deficient in one, and the most essential requisite, that of ability to carry the owner to his journey's end; he had rather, he said, mount the old Confederation, and drag on in the old way, than be amused with the appearance of a Government so essentially defective.

Mr. MADISON observed, that the present is a question which ought to be conducted with moderation and candor; and, therefore, there is no occasion to have recourse to those tragic representations which have been adduced. Warmth and passion should be excluded from the discussion of a subject which ought to depend on the cool dictates of reason for its decision.

Adverting to the observation of Mr. SMITH, of South Carolina, "that it would be a deplorable thing for the Senate of the United States to have fallen on a decision which violates the Constitution," he inquired, What does the reasoning of the gentleman tend to show but this, that from respect to the Senate this House ought to sanction their decisions? And from hence it will follow, that the President of the United States ought, out of respect to both, to sanction their joint proceedings; but he could remind the gentleman of his holding different sentiments on another occasion.

Mr. M. then enlarged on the exact balance or equipoise contemplated by the Constitution, to be observed and maintained between the several branches of Government; and showed, that except this idea was preserved, the advantages of different independent branches would be lost, and their separate deliberations and determinations be entirely useless.

In describing a corporation he observed, that the powers proposed to be given are such as do not exist antecedent to the existence of the corporation; these powers are very extensive in their nature, and to which a principle of perpetuity may be annexed.

He waived a reply to Mr. VINING's observations on the common law, [in which that gentleman had been lengthy and minute, in order to

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invalidate Mr. MADISON's objections to the power proposed to be given to the Bank, to make rules and regulations, not contrary to law.] Mr. M. said, the question would involve a very lengthy discussion; and other objects more intimately connected with the subject remained to be considered.

The power of granting charters, he observed, is a great and important power, and ought not to be exercised unless we find ourselves expressly authorized to grant them. Here he dilated on the great and extensive influence that incorporated societies had on public affairs in Europe. They are powerful machines which have always been found competent to effect objects on principles in a great measure independent of the people.

He argued against the influence of the precedent to be established by the bill; for though it has been said, that the charter is to be granted only for a term of years, yet he contended, that granting the powers on any principle is granting them in *perpetuum*; and assuming this right on the part of the Government involves the assumption of every power whatever.

Noticing the arguments in favor of the bill, he said, it had been observed, that "Government necessarily possesses every power." However true this idea may be in the theory, he denied that it applied to the Government of the United States.

Here he read the restrictive clause in the Constitution; and then observed, that he saw no pass over this limit.

The preamble to the Constitution, said he, has produced a new mine of power; but this is the first instance he had heard of, in which the preamble has been adduced for such a purpose. In his opinion, the preamble only states the objects of the Confederation, and the subsequent clauses designate the express powers by which those objects are to be obtained; and a mean is proposed through which to acquire those that may be found still requisite, more fully to effect the purposes of the Confederation.

It is said, "there is a field of legislation yet unexplored." He had often heard this language; but he confessed he did not understand it. Is there a single blade of grass—Is there any property in existence in the United States, which is not subject of legislation, either of the particular States, or of the United States? He contended that the exercise of this power, on the part of the United States, involves, to all intents and purposes, every power which an individual State may exercise. On this principle, he denied the right of Congress to make use of a bank to facilitate the collection of taxes. He did not, however, admit the idea, that the institution would conduce to that object. The bank notes are to be equal to gold and silver, and consequently will be as difficult to obtain as the specie. By means of the objects of trade on which gold and silver are employed, there will be an influx of those articles; but paper being substituted, will fill those

channels which would otherwise be occupied by the precious metals. This, experience shows is the uniform effect of such a substitution.

The right of Congress to regulate trade is adduced as an argument in favor of this of creating a corporation; but what has this bill to do with trade? Would any plain man suppose that this bill had any thing to do with trade?

He noticed the observation respecting the utility of banks to aid the Government with loans. He denied the necessity of the institution to aid the Government in this respect. Great Britain, he observed, did not depend on such institutions; she borrows from various sources.

"Banks, it is said, are necessary to pay the interest of the public debt." Then they ought to be established in the places where that interest is paid; but can any man say, that the bank notes will circulate at par in Georgia. From the example in Scotland, we know that they cannot be made equal to specie, remote from the place where they can be immediately converted into coin; they must depreciate in case of a demand for specie; and if there is no moral certainty that the interest can be paid by these bank bills, will the Government be justified in depriving itself of the power of establishing banks in different parts of the Union?

We reason, and often with advantage, from British models; but in the present instance there is a great dissimilarity of circumstances. The bank notes of Great Britain do not circulate universally. To make the circumstances parallel, it ought to have been assumed as a fact, that banks are established in various parts of Great Britain, at which the interest of the national debt is paid; but the fact is, it is only paid in one place.

The clause of the Constitution which has been so often recurred to, and which empowers Congress to dispose of its property, he supposed referred only to the property left at the conclusion of the war, and has no reference to the moneyed property of the United States.

The clause which empowers Congress to pass all laws necessary, &c. has been brought forward repeatedly by the advocates of the bill; he noticed the several constructions of this clause which had been offered. The conclusion which he drew from the commentary of the gentleman from Massachusetts, (Mr. GERRY,) was, that Congress may do what they please; and recurring to the opinion of that gentleman in 1787, he said the powers of the Constitution were then dark, inexplicable, and dangerous; but now, perhaps, as the result of experience, they are clear and luminous!

The constructions of the Constitution, he asserted, which have been maintained on this occasion, go to the subversion of every power whatever in the several States; but we are told, for our comfort, that the Judges will rectify our mistakes. How are the Judges to determine in the case; are they to be guided in their decisions by the rules of expediency?

It has been asked, that if those minute powers of the Constitution were thought to be necessary, is it supposable that the great and important power on the table was not intended to be given? Mr. M. interpreted this circumstance in a quite different way, viz: if it was thought necessary to specify in the Constitution those minute powers, it would follow that more important powers would have been explicitly granted, had they been contemplated.

The Western Territory business, he observed, was a case *sui generis*, and therefore cannot be cited with propriety. West Point, so often mentioned, he said, was purchased by the United States, pursuant to law, and the consent of the State of New York is supposed, if it has not been expressly granted; but, on any occasion, does it follow that one violation of the Constitution is to be justified by another?

The permanent residence bill, he conceived, was entirely irrelevant to the subject; but he conceived it might be justified on truly constitutional principles.

The act vesting in the President of the United States the power of removability has been quoted; he recapitulated, in a few words, his reasons for being in favor of that bill.

The Bank of North America he had opposed, as he considered the institution as a violation of the Confederation. The State of Massachusetts, he recollected, voted with him on that occasion. The Bank of North America was, however, the child of necessity; as soon as the war was over, it ceased to operate as to Continental purposes. But, asked he, are precedents in war to justify violations of private and State rights in a time of peace? And did the United States pass laws to punish the counterfeiting the notes of that bank? They did not, being convinced of the invalidity of any such law; the bank, therefore, took shelter under the authority of the State.

The energetic administration of this Government is said to be connected with this institution. Mr. M. here stated the principles on which he conceived this Government ought to be administered; and added, other gentlemen may have had other ideas on the subject, and may have consented to the ratification of the Constitution on different principles and expectations; but he considered the enlightened opinion and affection of the people the only solid basis for the support of this Government.

Mr. M. then stated his objections to the several parts of the bill. The first article he objected to was the duration. A period of twenty years was, to this country, as a period of a century in the history of other countries; there was no calculating for events which might take place. He urged the ill policy of granting so long a term, from the experience of the Government in respect to some treaties, which, though found inconvenient, could not now be altered.

The different classes of the public creditors, he observed, were not all put on an equal footing by this bill; but in the bill for the disposal

of the Western Territory this had been thought essential. The holders of six per cent. securities will derive undue advantages. Creditors at a distance, and the holders of three per cent. securities, ought to be considered, as the public good is most essentially promoted by an equal attention to the interest of all.

I admit, said he, that the Government ought to consider itself as the trustee of the public on this occasion, and therefore should avail itself of the best disposition of the public property.

In this view of the subject, he objected to the bill, as the public, he thought, ought to derive greater advantages from the institution than those proposed. In case of a universal circulation of the notes of the proposed bank, the profits will be so great that the Government ought to receive a very considerable sum for granting the charter.

There are other defects in the bill, which render it proper and necessary, in my opinion, that it should undergo a revision and amendment before it passes into a law. The power vested by the bill in the Executive to borrow of the bank, he thought was objectionable; and the right to establish subordinate banks ought not to be delegated to any set of men under Heaven.

The public opinion has been mentioned. If the appeal to the public opinion is suggested with sincerity, we ought to let our constituents have an opportunity to form an opinion on the subject.

He concluded by saying, he should move for the previous question.

The previous question, "Shall the main question now be put?" being determined in the affirmative,

Mr. GERRY rose to reply to Mr. MADISON; but the House discovering an impatience to have the main question put, after a few remarks, he waived any further observations.

The yeas and nays were then taken as follows, on the passage of the bill:

YEAS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Clymer, Fitzsimons, Floyd, Foster, Gerry, Gilman, Goodhue, Hartley, Hathorn, Heister, Huntington, Lawrence, Leonard, Livermore, P. Muhlenberg, Partridge, Rensselaer, Schureman, Scott, Sedgwick, Seney, Sevier, Sherman, Sylvester, Sinnenickson, Smith, of Maryland, Smith, of South Carolina, Steele, Sturges, Thatcher, Trumbull, Vining, Wadsworth, and Wynkoop.—39.

NAYS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Carroll, Contee, Gale, Grout, Giles, Jackson, Lee, Madison, Matthews, Moore, Parker, Stone, Tucker, White, and Williamson.—20.

WEDNESDAY, February 9.

Mr. HUNTINGTON, from the committee appointed for that purpose, reported a bill, for increasing the penalties contained in an act for the encouragement of learning, which was twice read and committed.

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## VERMONT.

A message from the President of the United State, informing the House that he had received documents expressing the consent of the Legislatures of New York and of the Territory of Vermont, that the said Territory be admitted as a distinct member of the Union.

*Ordered*, That this message, and the documents accompanying it, be referred to Messrs. LAWRENCE, BOUDINOT, and CARROLL.

## PROCESS IN COURTS.

Mr. SEDGWICK, from the committee appointed for that purpose, reported a bill to continue in force, for a limited time, the act regulating processes in the Federal Courts; which was twice read and committed.

## BANK OF THE UNITED STATES.

On motion of Mr. SMITH, of South Carolina, a committee of three was appointed to prepare and bring in a bill supplementary to an act for incorporating the subscribers to the Bank of the United States.

Messrs. SMITH, of South Carolina, WILLIAMSON, and STONE, are the said committee.

## TREASURY DEPARTMENT.

Mr. BOUDINOT gave notice, that to-morrow he should move, that a committee be appointed to bring in a bill supplementary to an act for establishing the Treasury Department.

THURSDAY, February 10.

## NEXT MEETING OF CONGRESS.

The bill to fix the time of meeting for the next Congress was read the third time, and, on motion, laid on the table.

## ENCOURAGEMENT OF LEARNING.

The bill to increase the penalties contained in an act, entitled "An act for the encouragement of learning," was read a second time, and referred to a Committee of the whole House on Monday next.

## PROCESS IN COURTS.

The bill to continue the act, regulating processes in the Courts of the United States, was read a second time, and ordered to be engrossed for a third reading.

Mr. BOUDINOT's motion of yesterday was taken up, and a committee consisting of Messrs. BOUDINOT, FITZSIMONS, and AMES, was appointed to prepare and bring in a bill, supplementary to the act, establishing the Treasury Department.

On motion, a committee, consisting of Messrs. BOURNE, SHERMAN, and THATCHER, was appointed to consider and report what alteration may be proper in the act, imposing duties on imports and tonnage, in respect to the Rix-dollar of Denmark, rated therein at one hundred cents.

## DEBT DUE TO FOREIGN OFFICERS.

The House then resolved itself into Committee of the whole. Mr. BOUDINOT in the chair,

and took into consideration the bill authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged. The bill being gone through with, the committee rose, and reported the same without any amendment. The bill was agreed to by the House, and ordered to be engrossed for a third reading.

## LAND OFFICES.

The House again resolved itself into a Committee of the whole, Mr. BOUDINOT in the chair, and took into consideration the bill establishing offices for granting lands within the territory of the United States. The committee agreed to sundry amendments—then rose, reported progress, and asked leave to sit again.

Mr. SMITH, from the committee appointed for that purpose, reported a bill supplementary to an act for incorporating the subscribers to the Bank of the United States; which was read twice and committed.

FRIDAY, February 11.

## SUNDRY BILLS PASSED.

The engrossed bill, to continue in force, for a limited time, an act to regulate process in the Courts of the United States;

The bill authorizing the President of the United States to cause the debt due to foreign officers to be paid and discharged: And

The bill to alter the time of the meeting of the next session of Congress (to meet on the first day of November next) were severally read the third time, and passed.

## COMPENSATION TO CLERKS, &amp;c.

Mr. SEDGWICK, from the committee appointed for that purpose, presented a bill providing compensation for Clerks, Marshals, and Jurors; which was twice read and committed.

## WAR DEPARTMENT.

On motion, Messrs. FITZSIMONS, PARKER, and GILMAN, were appointed a committee to report whether any, and what, further provision is necessary to secure the due accounting of the moneys expended in the Department of War.

## LAND OFFICES.

The House again resolved itself into Committee of the whole on the bill to establish offices for the purpose of granting lands within the Territories of the United States, Mr. BOUDINOT in the chair. After some time, the committee rose, and reported several amendments to the House, which were read, and ordered to lie on the table.

Business of a private nature occurring, the galleries were cleared and closed.

SATURDAY, February 12.

Sundry petitions were presented, and referred.

Mr. SHERMAN, from the committee to whom was referred the memorial of the public creditors holding loan office certificates for money

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lent to the United States, between September, 1777, and March 1778, made a Report, which was laid on the table.

## VERMONT.

A message from the Senate informed the House that they had passed a bill for the admission of the State of Vermont into the Union; also, a bill regulating the number of Representatives to be chosen by the States of Kentucky and Vermont. Both these bills were read twice and committed.

## LAND OFFICES.

The House took up for consideration the Report of the Committee of the whole on the bill for establishing land offices; but the House adjourned before it got through them.

MONDAY, February 14.

## COURT OF LONDON.

The following message was received from the President of the United States:

UNITED STATES, February 14, 1791.

*Gentlemen of the Senate  
and House of Representatives:*

Soon after I was called to the administration of the Government, I found it important to come to an understanding with the Court of London, on several points interesting to the United States; and particularly to know whether they were disposed to enter into arrangements, by mutual consent, which might fix the commerce between the two nations on principles of reciprocal advantage. For this purpose, I authorized informal conferences with their Ministers; and from these, I do not infer any disposition, on their part, to enter into any arrangements merely commercial. I have thought it proper to give you this information, as it might, at some time, have influence on matters under your consideration.

GEO. WASHINGTON.

*Ordered,* That the said message do lie on the table, but afterwards referred to Messrs. GOODHUE, MADISON, FITZSIMONS, BOURNE, LAWRENCE, VINING, and SMITH, of South Carolina.

On motion, Messrs. MADISON, WADSWORTH, and LEONARD, were appointed a committee to bring in a bill to explain so much of the act making further provision for the payment of the debts of the United States as imposes a duty on imported lead and calicoes. Also,

Messrs. SEDGWICK, BENSON, and STURGES, were named a committee to bring in a bill to give effect to the laws of the United States within the State of Vermont.

## NEW REVENUE BILL.

A message from the Senate informed the House that the Senate had passed the new revenue bill, with several amendments, to which they request the concurrence of this House; and that they have also passed the bill to continue in force, for a limited time, the act to regulate processes in the Courts of the United States.

## LAND OFFICES.

The House resumed the consideration of the amendments proposed by the Committee of the whole, in the bill to establish land offices in the Territories of the United States, which they got through, and made some additional amendments; but adjourned before the bill was completed.

TUESDAY, February 15.

THOMAS SUMTER, from South Carolina, appeared and took his seat.

Sundry Reports from the Secretary of War, on petitions referred to him, were read, and laid on the table.

The Report in favor of Joshua Barney, was agreed to; and Messrs. FITZSIMONS, SMITH, of Maryland, TRUMBULL, GOODHUE, and CADWALADER, were appointed to bring in a bill to carry the Report into effect.

A Report was received from the Secretary of the Treasury recommending a temporary allowance to the Commissioners of Loan-offices for extra services, which was ordered to lie on the table.

## NEW REVENUE BILL.

On motion,

*Resolved,* That the amendments proposed by the Senate to the bill repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same, together with the said bill, be committed to a Committee of the whole House.

## LAND OFFICES.

The House resumed the consideration of the bill to establish land offices for the purpose of granting lands within the Territories of the United States. The bill being gone through, a motion was made to add to the end of the second section the following proviso:

*Provided always,* That any purchaser of lands, when the payment thereof shall be due, may proffer in payment any of the certificates of the funded debt of the United States, at the same rate as the Treasurer shall have allowed for such certificates, respectively, in the last purchase which he shall have made thereof, prior to such payment.

Which was carried 34 votes to 21.

The yeas and nays were as follows:

YEAS.—Messrs. AMES, ASHE, BALDWIN, BLOODWORTH, BOUDINOT, BOURNE, BURKE, CADWALADER, CARROLL, FITZSIMONS, GALE, GERRY, GILMAN, GOODHUE, GRIFFIN, GILES, HATHORN, HEISTER, JACKSON, LEE, LIVERMORE, MADISON, MATTHEWS, MOORE, SEVIER, SHERMAN, SINICKSON, SMITH, of Maryland, SUMTER, THATCHER, TUCKER, WHITE, WILLIAMSON, and WYNKOOP.—34.

NAYS.—Messrs. BENSON, BROWN, CLYMER, CONTEE, FLOYD, FOSTER, HARTLEY, HUNTINGTON, LAWRENCE, LEONARD, P. MUHLENBERG, PARTRIDGE, RENNELAER, SCOTT, SEDGWICK, SENEY, SYLVESTER, SMITH, of South Carolina, STONE, TRUMBULL, and VINING.—21.

*Ordered,* That the said bill, with the amend-



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ments, be engrossed, and read the third time to-morrow.

The SPEAKER having informed the House, that he had some private communications to make, the galleries were cleared.

WEDNESDAY, February 16.

Mr. MADISON, from the committee appointed to inquire into the administration of the late superintendence of finance, made a Report, which was ordered to lie on the table.

Mr. FITZSIMONS, from the committee appointed for that purpose, presented a bill to compensate Joshua Barney for expenses incurred in effecting his escape from captivity; which was twice read and committed.

LAND OFFICES.

The engrossed bill for establishing offices for the purpose of granting lands within the Territories of the United States, was read the third time, and passed. The principal blank, the price of the land, was filled with *twenty-five cents* hard money, per acre.

THURSDAY, February 17.

Mr. SEDGWICK, from the committee appointed for that purpose, presented a bill giving effect to the laws of the United States within the State of Vermont; which was twice read and committed.

NEW REVENUE BILL.

On motion, the Committee of the whole to whom had been committed the proposed amendments of the Senate to the new revenue bill, were discharged from the consideration of them.

The House proceeded to consider the said amendments, some of which were agreed to, others amended and agreed to, and others disagreed to. The further consideration of the subject was postponed till to-morrow.

FRIDAY, February 18.

A message was received from the President of the United States informing the House, that he had received from the Secretary of State an account of the Proceedings of the Governor of the Western Territory, respecting certain settlements on the lands in that country.

The papers accompanying this message were read, and laid on the table.

Sundry petitions were read and referred.

NEW REVENUE BILL.

The House resumed the consideration of the amendments proposed by the Senate to the new revenue bill.

The amendment to the sixty-first section, for striking out the words "any Justice of the Peace, or Court of any State, of competent jurisdiction;" and also the proviso, and to substitute the word "the," in lieu of the words first stricken out, being read,

A motion was made, and the question being put, to amend the said amendment, by striking out the whole of the sixty-first section, in the words following, to wit:

*And be it further enacted,* That the prosecution for all fines, penalties, and forfeitures, incurred by force of this act, and for all duties payable in virtue thereof, and which shall not be duly paid, shall and may be had before any Justice of the Peace, or Court of any State, of competent jurisdiction, or Court of the United States, of the District in which the cause of action shall arise, with an appeal as in other cases: *Provided,* That where the cause of action shall exceed in value fifty dollars, the same shall not be cognizable before a Justice of the Peace only:

It was resolved in the affirmative.

And then the main question being put, "That the House do agree to the said amendment of the Senate, as now amended?"

It was resolved in the affirmative, 35 votes to 21.

The yeas and nays being taken, were as follows:

AYES.—Messrs. Ames, Baldwin, Benson, Bourne, Cadwalader, Carroll, Clymer, Contee, Fitzsimons, Foster, Gale, Gerry, Gilman, Goodhue, Griffin, Giles, Huntington, Lawrence, Lee, Leonard, Madison, Schureman, Sedgwick, Seney, Sevier, Sherman, Sylvester, Sinnickson, Smith, of Maryland, Smith, of South Carolina, Sturges, Sumter, Trumbull, Wadsworth, and Wynkoop.—35.

NAYS.—Messrs. Ashe, Bloodworth, Boudinot, Burke, Floyd, Hartley, Hathorn, Heister, Livermore, Matthews, Moore, Muhlenberg, Parker, Partridge, Rensselaer, Scott, Steele, Thatcher, Tucker, White, and Williamson.—21.

And then the House having proceeded further in the consideration of the Senate's amendments, an adjournment was called for and carried.

SATURDAY, February 19.

VERMONT.

The House resolved itself into a Committee of the whole on the bill for giving effect to the laws of the United States within the State of Vermont, Mr. BOUDINOT in the chair. The committee, after some time, rose and reported the bill to the House with an amendment, which being agreed to, the bill was ordered to be engrossed for a third reading.

KENTUCKY AND VERMONT.

The House then went into a Committee of the whole on the bill regulating the number of Representatives to be chosen by the States of Kentucky and Vermont, Mr. BOUDINOT in the chair. The committee reporting the bill to the House without amendment, on motion, it passed its third reading.

NEW REVENUE BILL.

The House resumed the consideration of the proposed amendments of the Senate to the new revenue bill. A motion was made, and the question being put, to amend the section pro-

posed by the Senate to be inserted, by way of amendment, after the sixty-first section, by striking out the following words: "five per cent. of the said product computed throughout the United States; and such allowance shall continue to be paid until altered by law;" and inserting in lieu thereof the words, "seven per cent. of the whole product of the duties arising from the spirits distilled within the United States; and such allowances shall continue to be paid for the space of two years, unless sooner altered by law:"

It was resolved in the affirmative—34 votes to 20.

The yeas and nays being taken, were as follows:

**YEAS.**—Messrs. Ashe, Baldwin, Bloodworth, Boudinot, Bourne, Brown, Burke, Carroll, Contee, Floyd, Gilman, Griffin, Grout, Giles, Hartley, Hathorn, Heister, Jackson, Lee, Livermore, Matthews, Moore, P. Muhlenberg, Parker, Rensselaer, Scott, Seney, Sevier, Sylvester, Smith, of Maryland, Sumter, Tucker, Vining, and White.—34.

**NAYS.**—Messrs. Ames, Benson, Cadwalader, Clymer, Fitzsimons, Foster, Gerry, Goodhue, Huntington, Lawrence, Leonard, Partridge, Schureman, Sherman, Sinnickson, Smith, of South Carolina, Sturges, Thatcher, Trumbull, and Wynkoop.—20.

And the main question being put on the amendment as amended, it was agreed to. And the House agreeing to all the other amendments proposed, the Clerk was directed to inform the Senate therewith.

MONDAY, February 21.

The engrossed bill giving effect to the laws of the United States within the State of Vermont was read the third time, and passed.

Mr. GOODHUE, from the committee to whom was referred the message from the President of the United States of the 14th instant, made a Report, which was read, and ordered to lie on the table.

#### COMPENSATION TO JUDICIAL OFFICERS.

The House went into a Committee of the whole on the bill providing compensation for Clerks, Marshals, and Jurors, Mr. BOUDINOT in the chair. The committee having made an amendment to the bill, reported it to the House; when, on motion, the bill, with the proposed amendment, was recommitted to Messrs. SHERMAN, BENSON, SENEY, WHITE, and LIVERMORE.

#### PUBLIC DEBT.

Mr. MADISON, from the committee appointed for that purpose, presented a bill making further provision for the payment of the debts of the United States; which was twice read, and ordered to be engrossed for a third reading.

JOSHUA BARNEY.

The House went into a Committee of the whole on the bill to compensate Joshua Barney, Mr. BOUDINOT in the chair. The committee

reported the bill with an amendment to the House.

A motion to fill up the blank with \$896 was negatived; and the motion to engross the bill for a third reading was negatived. So the bill was rejected.

Some business occurring which required secrecy, the galleries were cleared.

TUESDAY, February 22.

The engrossed bill to explain and amend the act making further provision for the payment of the debts of the United States, was read the third time, and passed.

#### DUTY ON TEAS.

Mr. SEDGWICK, from the committee appointed for that purpose, presented a bill making further provision for the collection of the duties imposed on teas, which was twice read and committed.

#### TREASURY DEPARTMENT.

Mr. BOUDINOT, from the committee appointed for that purpose, presented a bill supplementary to the act establishing the Treasury Department, which was twice read and committed.

Mr. FITZSIMONS, from the committee appointed to report whether any further provision be necessary to secure the due accounting for the moneys expended in the Department of War, made a Report, in which he recommended the appointment of a Paymaster.

*Ordered,* To lie on the table.

#### BANK OF THE UNITED STATES.

The House resolved itself into a Committee of the whole on the bill supplementary to the act to incorporate the Bank of the United States, Mr. BOUDINOT in the chair. The committee made several amendments to the bill, which were reported and agreed to by the House. The bill was then ordered to be engrossed for a third reading. The amendments were as follows:

Mr. SMITH, of South Carolina, moved that the first section of the bill should be expunged; and proposed the following in substance, as a substitute, viz: that subscriptions for the Bank should not be opened till the first Monday in July next, and that the first payment in the six per cents of the United States may be deferred till the first Monday in January next. This was agreed to.

A clause to prohibit any person or body politic, except on behalf of the United States, from subscribing within three months from the said first day of July, more than ——— shares in one day, was agreed to.

A clause proposed by Mr. FITZSIMONS, enjoining the payment of the specie proportion of the subscription at the time of subscribing, and subjecting the subscribers to a forfeiture of the said first payment, in case the subsequent payments are not made, was also agreed to.

Mr. MADISON proposed a clause, in sub-

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stance making it optional with the subscribers to pay their subscription either in the three or six per cents, both of the Continental and assumed debt; the three per cents, at two for one of the six per cents. Agreed to.

#### NEW REVENUE BILL.

The amendments to the bill laying a duty on distilled spirits, &c. which had been disagreed to by the Senate, were taken into consideration. The first amendment to which the Senate had disagreed, respected the limitation of the compensation of the officers to two years; they proposed a substitute, by which the provision was to continue till altered by law. After some debate, the question for agreeing to the amendment of the Senate was negatived—yeas 24, nays 36. The House then voted to insist on their amendments.

The House concurred in the other amendments.

#### MESSAGE FROM THE SENATE.

A message was received from the Senate informing the House, that they have negatived the bill determining the time of the next meeting of Congress; also communicating a vote of the Senate, in which they request the concurrence of this House, for transmitting to the President of the National Assembly of France, a Resolution expressive of the sensibility of the Legislature of the United States at the very respectful attention paid by that free and enlightened Assembly to the memory of BENJAMIN FRANKLIN.

The Report of the committee on the message of the President of the United States of the 14th instant, was read the second time.

A motion to refer this Report to a Committee of the whole was superseded by the call for an adjournment, which took place.

WEDNESDAY, February 23.

#### BANK OF THE UNITED STATES.

The engrossed bill, supplementary to the act to incorporate the subscribers to the Bank of the United States, was read the third time, and passed.

#### LATE DR. FRANKLIN.

The House proceeded to consider the Resolution sent from the Senate for their concurrence, yesterday, expressing the sensibility of Congress to the tribute paid to the memory of the late Dr. Franklin by the National Assembly of France; and agreed thereto.

#### COMMISSIONERS OF LOANS.

The House took up and concurred with the Report of the Secretary of the Treasury proposing to make certain additional allowances to the Commissioners of Loans; and appointed Messrs. WILLIAMSON, PARTRIDGE, and WHITE to bring in a bill to effect this object.

A message from the Senate informed the House that they decline passing the bill to authorize the President to cause the debt due to foreign officers to be paid; and that they have

passed the bill giving effect to the laws of the United States within the State of Vermont, with an amendment, to which they desire their concurrence.

#### NEXT MEETING OF CONGRESS.

Ordered, That Messrs. SMITH, of South Carolina, LAWRENCE, and VAN RENSSLAER, be a committee to prepare a bill fixing a time for the next annual meeting of Congress.

#### NEW REVENUE BILL.

Another message from the Senate informed the House that they insist on their amendment to the new revenue bill, to which this House have disagreed, and propose a conference. The conference was acceded to.

#### COMMERCIAL INTERCOURSE.

The House then proceeded to consider the Report of the committee to whom was referred the message of the President of the United States of the 14th instant. Whereupon, it was ordered, that said Report be referred to the Secretary of State, and that he be directed to report to Congress the nature and extent of the privileges and restrictions of the commercial intercourse of the United States with foreign nations, and such measures as he shall think proper to be adopted for the improvement of the commerce and navigation of the United States.

Mr. SMITH, of South Carolina, reported a bill, to determine the day of the next meeting of Congress, which, after a first and second reading, was ordered to be engrossed.

THURSDAY, February 24.

#### COMPENSATION TO JUDICIAL OFFICERS.

Mr. SHERMAN, from the committee to whom was recommitteed the bill making compensation to Clerks, Marshals, and Jurors, presented an amendatory bill providing compensation for the officers of the several Courts of Law, and for jurors and witnesses; which was twice read and committed.

#### RIX-DOLLAR.

Mr. BOURNE, from the committee appointed for that purpose, presented a bill repealing so much of an act as establishes the rate of the Rix-dollar of Denmark, which was twice read and committed.

#### COMMISSIONERS OF LOANS.

Mr. WILLIAMSON, from the committee appointed for that purpose, presented a bill making compensations to the Commissioners of Loans for extraordinary services and expenses, which was read the first time.

#### NEXT MEETING OF CONGRESS.

The engrossed bill fixing the time for the next annual meeting of Congress, (the blank being filled with the fourth Monday in October next,) was read the third time, and passed.

## TREASURY DEPARTMENT.

The House went into a Committee of the whole on the bill supplementary to the act establishing the Treasury Department, Mr. BOUDINOT in the chair. The committee, after some time, rose and reported to the House several amendments, which were agreed to, and the bill ordered to be engrossed for a third reading.

On motion of Mr. SEDGWICK, the memorial of Thomas McKean and others, public creditors, was taken up for a second reading; and, after some debate, the following resolution, moved by Mr. S., was agreed to—53 to 2.

*Resolved*, That it would be inexpedient to alter the system for funding the public debt, established the last session of Congress; and that the prayer of the petition of Thomas McKean and others, styling themselves a Committee of the Public Creditors of the Commonwealth of Pennsylvania, and also of other petitions on that subject, cannot be granted.

## PUBLIC DEBT.

A message from the Senate informed the House, that they had passed the bill to explain and amend the act making provision for the payment of the debts of the United States.

## POST-OFFICE AND POST-ROADS.

The House again went into a Committee of the whole on the bill for establishing the Post-office and Post-roads, Mr. BOUDINOT in the chair. After some time spent therein the committee rose, and reported progress.

FRIDAY, February 25.

## TREASURY DEPARTMENT.

The engrossed bill supplementary to the act establishing the Treasury Department was read the third time, and passed.

## PUBLIC DEBT.

Mr. FITZSIMONS, from the committee appointed for that purpose, reported a bill supplemental to the act making provision for the reduction of the public debt, which was twice read and committed.

A Report from the Secretary of the Treasury, concerning certain certificates, issued in some of the States, subsequent to the 1st of January, 1790, which was in favor of funding those certificates, under certain regulations, was read and laid on the table.

Another Report from the same officer was read, respecting the loan of three millions of florins, made in Holland, stating the terms on which that loan had been effected. The Report proposed an explanation of a clause in the act, making provision for the reduction of the public debt; and was referred to a select committee, to report a bill or bills pursuant thereto.

## NEW REVENUE BILL.

Mr. BOUDINOT, from the managers appointed on the part of this House to attend the conference with the Senate, agreeable to the order of yesterday, made a Report: Whereupon,

On motion made and seconded,

That this House doth recede from their disagreement to the amendment last proposed by the Senate, to the amendment of this House to the amendment of the Senate, which is proposed to follow the sixty-first section of the bill, entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same;" and doth agree to the said amendment to the amendment, amended to read as followeth:

"Seven per cent. of the whole product of the duties arising from the spirits distilled within the United States: *And provided, also*, That such allowances shall not exceed the annual amount of forty-five thousand dollars, until the same shall be further ascertained by law."

It was resolved in the affirmative—yeas 30, nays 29.

The yeas and nays being taken, were as follows:

YEAS.—Messrs. Ames, Benson, Boudinot, Bourne, Cadwalader, Clymer, Fitzsimons, Foster, Gale, Gerry, Gilman, Goodhue, Hartley, Huntington, Lawrence, Leonard, Partridge, Schureman, Scott, Sedgwick, Sevier, Sherman, Sinnickson, Smith, of South Carolina, Sturges, Thatcher, Trumbull, Vining, Wadsworth, and Wynkoop.—30.

NAVS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Carroll, Contee, Floyd, Griffin, Grout, Giles, Jackson, Lee, Livermore, Madison, Matthews, Moore, P. Muhlenberg, Parker, Van Rensselaer, Seney, Sylvester, Smith, of Maryland, Steele, Stone, Sumter, Tucker, White, and Williamson.—29.

*Ordered*, That the Clerk of this House do acquaint the Senate therewith.

## POST-OFFICE AND POST-ROADS.

On motion of Mr. SMITH, (of S. C.)

*Ordered*, That the Committee of the whole be discharged from further proceeding on the bill for establishing Post-offices and Post-roads of the United States.

SATURDAY, February 26.

## BANK OF THE UNITED STATES.

A message from the Senate informed the House, that they have passed the bill from this House supplementary to the act to incorporate the Bank of the United States; and that the Senate have passed a bill to amend the act to establish the temporary and permanent seat of the Government of the United States; to which they desire the concurrence of this House.

## SALARIES OF EXECUTIVE OFFICERS.

Mr. TRUMBULL, from the committee appointed for that purpose, reported a bill in addition to an act, entitled "An act for establishing the salaries of the Executive officers of the Government, with their Assistants and Clerks," which was received and read a first and second time, and referred to a Committee of the whole.

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MONDAY, February 28.

## NEXT MEETING OF CONGRESS.

A message from the Senate informed the House that they have passed the bill fixing the time of the next annual meeting of Congress without amendment; and the bill supplemental to the act for establishing the Treasury Department, with amendments; to which they desire the concurrence of this House.

## COMPENSATION TO JUDICIAL OFFICERS.

The House went into a Committee of the whole on the bill making compensation to the several officers of the Courts of Law, and reported the bill without amendment. It was afterwards amended in the House, and ordered to be engrossed for a third reading.

## COMMISSIONERS OF LOANS.

The House also went into a Committee of the whole on the bill granting compensation to the several loan-offices. The committee reported to the House one amendment, which was disagreed to, and the bill was then ordered to be engrossed for a third reading.

## TEMPORARY REGULATION OF THE POST-OFFICE.

MR. SMITH, of South Carolina, reported a bill for the temporary regulation of the Post-office, which was read the first time.

## WIDOWS AND ORPHANS OF OFFICERS.

MR. SMITH also introduced a bill for making compensation to the widows and orphan children of certain officers who were killed, or who died while in the service of the United States during the late war, and for the relief of certain invalids and other persons therein mentioned, which was read the first time.

Several bills of a private nature were introduced.

TUESDAY, March 1.

On motion,

*Resolved*, That the Clerk of the House of Representatives of the United States shall be deemed to continue in office until another be appointed.

## COMPENSATION TO JUDICIAL OFFICERS.

The engrossed bill providing compensations to the officers of the several Courts of Law, and to jurors and witnesses, was read the third time, and passed.

## SEAT OF GOVERNMENT.

The bill from the Senate, to amend an act to establish the temporary and permanent seat of Government of the United States, was read the third time, and passed—39 votes to 18.

The yeas and nays were taken as follows:

YEAS.—Messrs. Ashe, Baldwin, Bloodworth, Brown, Burke, Cadwalader, Carroll, Clymer, Contee, Fitzsimons, Gale, Gerry, Griffin, Giles, Hathorn, Jackson, Lawrence, Lee, Madison, Matthews, Moore, Parker, Schureman, Scott, Sherman, Sylvester, Sin-

nicksen, Smith, of Maryland, Smith, of South Carolina, Steele, Stone, Sumter, Trumbull, Tucker, Vining, Wadsworth, White, Williamson, and Wynkoop.—39.

NAYS.—Messrs. Ames, Benson, Boudinot, Floyd, Foster, Gilman, Grout, Hartley, Huntington, Leonard, Livermore, P. Muhlenberg, Partridge, Van Rensselaer, Sedgwick, Seney, Sturges, and Thatcher.—18.

## TREASURY DEPARTMENT.

The House agreed to the proposed amendment of the Senate to the bill supplemental to the act establishing the Treasury Department.

## PUBLIC DEBT.

The House went into a Committee on the bill supplementary to the act making provision for the reduction of the public debt. The committee rose without making any amendment to the bill, and it was ordered to be engrossed for a third reading.

## TEMPORARY POST-OFFICE.

The bill to continue in force, for a limited time, the act for the temporary establishment of the Post-office, was read the second time and committed.

The House immediately went into a Committee upon it, MR. BOUDINOT in the chair. The committee reported several amendments to the House, which were agreed to, and the bill was ordered to be engrossed for a third reading.

## WIDOWS AND ORPHANS OF OFFICERS.

The bill for making compensation to widows and orphan children of certain officers who were killed, &c. was read the second time and committed.

The House immediately went into a committee upon it, MR. BOUDINOT in the chair. The committee reported the bill without amendment, and it was ordered to be engrossed for a third reading.

The three bills above ordered to be engrossed were afterwards read the third time and passed.

WEDNESDAY, March 2.

## LAND-OFFICE BILL POSTPONED.

A message from the Senate informed the House that they had postponed the consideration of the bill to establish offices for the purpose of granting lands within the Territories of the United States until the next session; and that they had passed the bill repealing so much of an act as establishes the rate of the rix-dollar of Denmark, with several amendments, to which they desire the concurrence of this House.

## SALARIES OF EXECUTIVE OFFICERS.

The House went into a committee on the bill for establishing the salaries of the Executive Officers of Government, with their assistants and clerks. The committee reported no amendment to the bill, and it was ordered to be engrossed for a third reading.

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## RIX-DOLLAR.

The proposed amendments by the Senate to the bill repealing so much of the act as establishes the rate of the rix-dollar of Denmark, were agreed to.

## CONSULS AND VICE-CONSULS.

The Senate having disagreed to the amendments proposed by this House to the bill concerning Consuls and Vice-Consuls, and the question for receding being put and negatived, it was resolved that the House do insist on their amendments.

## DUTY ON WINES.

The engrossed bill making further provision for the collection of the duties on teas, and for extending the term of payment of the duties on wines, was read a third time and passed.

THURSDAY, March 3.

## INDIAN LANDS.

A resolution received from the Senate, that the President of the United States be requested to cause to be laid before Congress, at their next session, an estimate of the quantity and situation of those lands not claimed by Indians, nor occupied by citizens of the United States, in the territory ceded in North Carolina, northwest of the Ohio, was concurred with.

A message from the Senate informed the House that they adhere to their disagreement to the amendment proposed by this House to the Consul bill; that they have passed the bill making further provision for the collection of duties on wines; and that they have passed the two following resolutions, to which they desire the concurrence of this House, viz:

"That a mint shall be established, under such regulations as shall be directed by law.

"That the President of the United States be, and he is hereby, authorized to cause to be engaged such artists as shall be necessary to carry the preceding resolution into effect, and to stipulate the terms and conditions of their service; and also to cause to be procured such apparatus as shall be requisite for the same purpose."

The House proceeded to consider the said resolutions; and the second resolution being amended by inserting after the word "such," the word "principal," the same were, on the question put thereupon, agreed to by the House; Ayes 25—Nays 21.

The yeas and nays being demanded, were taken as follows:

Those who voted in the affirmative, are:

YEAS.—Messrs. Boudinot, Cadwalader, Clymer, Contee, Fitzsimons, Floyd, Gale, Gilman, Griffin, Hartley, Lawrence, Lee, P. Muhlenberg, Scott, Sedgwick, Seney, Sevier, Sylvester, Smith, of Maryland, Smith, of South Carolina, Steele, Trumbull, Vining, Wadsworth, and Wynkoop.—25.

NAYS.—Messrs. Ashe, Baldwin, Burke, Foster, Giles, Hathorn, Heister, Huntington, Jackson, Leonard, Livermore, Moore, Partridge, Van Rensselaer, Schureman, Sherman, Sinnickson, Sumter, Tucker, White, and Williamson.—21.

The House proceeded to reconsider the amendments insisted on by this House, and to their disagreement to which the Senate doth adhere, to the bill, entitled "An act concerning Consuls and Vice-Consuls." Whereupon,

*Resolved*, That this House doth adhere to their said amendments.

A message from the Senate informed the House that they had agreed to the amendments proposed by this House to the resolution respecting the ungranted lands within the Territories; that they had passed the bill in addition to the act establishing the salaries of the Executive officers of Government, with their assistants and clerks, with several amendments, to which they desire the concurrence of this House; and that they adhere to their amendment disagreed to by this House, to the bill making compensation to the Commissioners of loans for extraordinary expenses.

The House agreed to recede from their disagreement to the amendment to the last mentioned bill, and agreed to all the amendments of the Senate to the bill in addition to the act establishing the salaries of Executive officers, &c.

A message from the Senate informed the House that they had passed the bill granting lands to the inhabitants and settlers at Vincennes; and the bill to continue in force, for a limited time, an act for the temporary establishment of the Post-office, each with amendments, to which they desire the concurrence of this House.

The House entered upon the consideration of the proposed amendments of the Senate to both the above bills, and agreed to them.

A message from the Senate informed the House that they had deferred, till next session, the bill making compensation to the widows and orphan children of certain officers who fell in the late war; that they had agreed to the resolutions in relation to the establishment of a Mint; and had passed the bill supplementary to the act making provision for the reduction of the public debt, with sundry amendments, to which they desire the concurrence of this House.

In another message, the Senate recedes from such of their amendments as were disagreed to by this House, to the bill providing compensations for the officers of the Judicial Courts, &c. and informs the House that they had passed a bill to continue in force the act therein mentioned, and to make further provision for the payment of pensions to invalids, and for the support of light-houses, beacons, buoys, and public piers, to which they desire the concurrence of the House. This bill was twice read.

## AMENDMENTS TO THE CONSTITUTION.

Mr. BENSON moved certain amendments to the Constitution of the United States, to be proposed by Congress to the Legislatures of the several States, to wit:

"That the Congress shall, either by declaring the Superior or Supreme Common Law Court of the



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State to be the Court, or by creating a new Court for the purpose, establish a General Judicial Court in each State, the Judges whereof shall hold their commissions during good behavior, and without any other limitation whatsoever, and shall be appointed and commissioned by the State, and shall receive their compensations from the United States only; and the compensations shall not be diminished during their continuance in office.

"The number of Judges of the General Judicial Court in the State, unless the same should be altered by the consent of the Congress and the Legislature of the State, shall be in the proportion of one Judge for every — persons in the State, according to the enumeration for apportioning the representatives among the several States; but there shall always be at least three Judges in each State.

"The General Judicial Court shall, in all cases to which the judicial power of the United States shall extend, have original jurisdiction, either exclusively or concurrently with other Courts in the States, and otherwise regulated as the Congress shall prescribe; and in cases where the judicial power is reserved to the several States, as the Legislature of each State shall prescribe: but shall have, and exclusively, immediate appellate jurisdiction, in all cases, from every other Court within the State, under such limitations, exceptions, and regulations, however, as shall be made with the consent of the Congress and the Legislature of the State; there may, notwithstanding, be in each State a Court of Appeals or Errors in the last resort, under the authority of the State, from the General Judicial Court, in cases and on questions only where the Supreme Court of the United States hath not appellate jurisdiction from the General Judicial Court.

"The Congress may provide that the Judges of the General Judicial Court shall hold Circuit Courts within the State; and the Legislature of the State may, in addition to the times and places to be assigned by the Congress for holding the General Judicial Court or Circuit Courts, assign other times and places.

"The Congress may determine the number of Judges which shall be a quorum to hold a General Judicial Court, or a Circuit Court, in each respective State.

"The Congress may, in the cases to which the judicial power of the United States doth extend, and the Legislature of the State may, in the other cases, regulate the fees and proceedings in the several courts, and the jurisdiction of the Circuit Courts within the State.

"The Ministerial Officers of the General Judicial Court shall be appointed and commissioned in such manner as the Legislature of the State shall prescribe.

"All writs issuing out of the General Judicial Court shall be in the name of the Judges thereof.

"The Judges of the General Judicial Court may be impeached by the House of Representatives of the United States, and also by the most numerous branch of the State Legislature.

"The impeachment shall not be tried by the Senate of the United States, or by any judicature under the authority of the State, but the Congress shall, by law, establish a Court to be held in each State for the trial of such impeachments, to consist only of Senators of the United States, Judges of the

Supreme Court of the United States, and Judges of General Judicial Courts. The trial shall be in the State where the person impeached shall reside; and every law designating the Judges of a Court for the trial of impeachments shall be passed previous to the impeachment; and the designations shall be, not by naming the persons, but by describing the offices, the persons in [which offices for the time being, and elected] or appointed previous to the impeachment, shall be the Judges; and no person shall be convicted without the concurrence of two-thirds of the Judges present.

"Judgments by the courts so to be established for the trial of impeachments shall not extend further than is provided by the Constitution of the United States, in cases of impeachment, and the party, nevertheless, to be liable and subject to indictment, trial, judgment, and punishment according to law.

"In every State where Congress shall declare the Superior or Supreme Common Law Court to be the General Judicial Court, the Judges shall, by force of their appointments as Judges of the Superior or Supreme Common Law Court, become Judges of the General Judicial Court; and all the powers and duties of the Judges of the Superior or Supreme Common Law Court, either by the Constitution or the laws of the State, shall devolve on the Judges of the General Judicial Court.

"If on the establishment of the General Judicial Courts, the Congress shall deem proper to discontinue any of the District Courts of the United States, the Judges of the Courts so discontinued shall, thereupon, by force of their appointments as District Judges, become Judges of the General Judicial Courts in the respective States, and shall continue to receive their compensations as theretofore established.

"The Judges of the Supreme or Superior Common Law Courts and the District Judges may, on the first establishment of the General Judicial Courts, become Judges thereof, notwithstanding the limitation of the number of Judges of the General Judicial Courts in the respective States; but as vacancies happen they shall not afterwards be filled up beyond the number limited.

"For avoiding of doubts, it is declared that all officers, as well Ministerial as Judicial, in the administration of justice, under the authority of a State, shall also be held to execute their respective offices for carrying into effect the laws of the United States; and, in addition to the duties assigned to them by the laws of the State, the Congress may assign to them such further duties as they shall deem proper for that purpose."

On motion,

*Resolved*, That the consideration of the said amendments be deferred until the next session of Congress; and that one hundred copies thereof be printed for the use of the members of both Houses.

#### JAILS OF THE STATES.

On motion that the House do come to the following resolution:

"Whereas Congress did, by a resolution of the 23d of September, 1789, recommend to the several States to pass laws making it expressly the duty of the keepers of their jails to receive, and safely keep

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therein, all prisoners committed under the authority of the United States:

In order, therefore, to ensure the administration of justice:

*Resolved, By the Senate and House of Representatives of the United States of America in Congress assembled,* That, in case any State shall not have complied with the said recommendation, the Marshal in such State, under the direction of the Judge of the District, be authorized to hire a convenient place to serve as a temporary jail, and to make the necessary provision for the safe-keeping of prisoners committed under the authority of the United States, until permanent provision shall be made by law for that purpose; and the said Marshal shall be allowed his reasonable expenses incurred for the above purposes, to be paid out of the Treasury of the United States."

It was resolved in the affirmative.

#### CONVENTION WITH FRANCE.

*Ordered,* That leave be given to bring in a bill for carrying into effect a consular convention between His Most Christian Majesty and the United States; and that Messrs. SMITH, (of South Carolina,) MADISON, and VINING prepare the same.

#### PENSIONS TO INVALIDS.

The bill from the Senate to continue in force the acts therein mentioned, and to make further provision for the payment of pensions to invalids, &c. was read the third time and passed.

Mr. SMITH, from the committee above appointed, presented a bill for carrying into effect the consular convention between His Most Christian Majesty and the United States, which received its first and second readings, and was ordered to be engrossed. It was afterwards read a third time and passed.

A message from the Senate informed the House, that they had agreed to a resolution in relation to the safe-keeping of prisoners, but had deferred until the next session of Congress the consideration of the bill for carrying into effect the consular convention between His Most Christian Majesty and the United States.

#### SESSION CLOSED.

The business of the session being gone through, on motion,

*Resolved,* That the thanks of the House of Representatives of the United States be presented to Frederick Augustus Muhlenberg, in testimony of their approbation of his conduct in the chair, and in the execution of the difficult and important trust reposed in him as Speaker of the said House."

It was resolved unanimously: whereupon Mr. SPEAKER made his acknowledgments to the House, in manner following:

*Gentlemen of the House of Representatives.*

This unexpected mark of your approbation of my conduct has made so deep an impression on my mind, that I cannot find words to express the high sense of gratitude I entertain on this occasion.

I have not vanity sufficient to suppose that my feeble, though well-meant endeavors merit so great a reward; for it was your kind indulgence and support alone which enabled me to go through the duties of the station which you were pleased to assign me; but I shall ever consider this distinguished and honorable testimony as the most fortunate circumstance of my life.

Gentlemen, I most sincerely thank you. May every possible happiness attend you and every individual of this body, and may your zealous endeavors to promote the welfare of our beloved country, which I have so long and so often been a witness to, be crowned with unbounded success.

*Ordered,* That a message be sent to the Senate, to inform them that this House, having completed the business before them, are now about to adjourn without day, and that the Clerk of this House do go with the said message.

The Clerk accordingly went with the said message, and being returned,

A message was received from the Senate, notifying that the Senate, having completed the legislative business before them, are now about to adjourn; whereupon,

Mr. Speaker adjourned the House without day.

# APPENDIX

## TO GALES AND SEATON'S HISTORY OF DEBATES IN THE FIRST CONGRESS.

### *Ratifications of the Amendments to the Constitution of the United States.*

BY THE STATE OF NEW HAMPSHIRE.

*In the House of Representatives,*  
January 25, 1790.

Upon reading and maturely considering the proposed amendments to the Federal Constitution,

*Voted,* To accept the whole of said amendments, except the second article, which was rejected. Sent up for concurrence.

THOMAS BARTLETT, *Speaker.*

In Senate, the same day, read and concurred.

J. PEARSON, *Secretary.*

BY THE STATE OF NEW YORK.

*The People of the State of New York, by the Grace of God free and independent:*

*To all to whom these presents shall come or may concern, greeting:*

Know ye, that we, having inspected the records remaining in our Secretary's office, do find there a certain act of our Legislature, in the words following:

AN ACT ratifying certain Articles in addition to, and amendment of, the Constitution of the United States of America, proposed by the Congress.

Whereas, by the fifth article of the Constitution of the United States of America, it is provided that the Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to the said Constitution, which shall be valid to all intents and purposes as part of the said Constitution, when ratified by the Legislatures of three-fourths of the several States, or by Conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by Congress.

And whereas, in the session of the Congress of the United States of America, begun and held at the city of New York, on Wednesday, the fourth of March, one thousand seven hundred and eighty-nine, it was resolved by the Senate and House of Representatives of the United States of America, in Congress assembled, two-thirds of both Houses concurring, that the following articles be proposed to the Legislatures of the several States, as amend-

ments to the Constitution of the United States; all or any of which articles, when ratified by three-fourths of said Legislatures, to be valid to all intents and purposes as a part of said Constitution, viz:

Articles in addition to, and amendment of, the Constitution of the United States of America, proposed by Congress, and ratified by the Legislatures of the several States, pursuant to the fifth article of the original Constitution.

*Article First.* After the first enumeration required by the first article of the Constitution, there shall be one Representative for every thirty thousand, until the number shall amount to one hundred, after which the proportion shall be so regulated by Congress, that there shall be not less than one hundred Representatives, nor less than one Representative for every forty thousand persons, until the number of Representatives shall amount to two hundred; after which, the proportion shall be so regulated by Congress that there shall not be less than two hundred Representatives, nor more than one Representative for every fifty thousand persons:

*Article the Second.* No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

*Article the Third.* Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press, or the right of the People peaceably to assemble and to petition the Government for a redress of grievances.

*Article the Fourth.* A well regulated Militia being necessary to the security of a free State, the right of the People to keep and bear arms shall not be infringed.

*Article the Fifth.* No soldier shall, in time of peace, be quartered in any house without the consent of the owner, nor in time of war but in a manner to be prescribed by law.

*Article the Sixth.* The right of the People to be secure in their persons, papers, houses, and effects, against unreasonable searches and seizures shall not be violated; and no warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

*Amendments to the Constitution.*

*Article the Seventh.* No person shall be held to answer for a capital or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia when in actual service, in time of war, or public danger; nor shall any person be subject, for the same offence, to be twice put into jeopardy of life or limb; nor shall be compelled, in any criminal case, to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use without just compensation.

*Article the Eighth.* In all criminal prosecutions, the accused shall enjoy the right of a speedy and public trial by an impartial jury of the State and District wherein the crime shall have been committed, which District shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor; and to have the assistance of counsel for his defence.

*Article the Ninth.* In suits of common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved; and no fact tried by a jury shall be otherwise examined, in any Court of the United States, than according to the rules of the common law.

*Article the Tenth.* Excessive bail shall not be required, nor excessive fines imposed, nor cruel or unusual punishments inflicted.

*Article the Eleventh.* The enumeration in the Constitution of certain rights shall not be construed to deny or to disparage others retained by the People.

*Article the Twelfth.* The powers not delegated to the United States by the Constitution, nor prohibited to it by the States, are reserved to the States, respectively, or to the People.

And whereas the Legislature of this State have considered the said Articles, and do agree to the same, except the second Article: Therefore,

*Be it enacted by the People of the State of New York represented in Senate and Assembly, and it is hereby enacted by the authority of the same,* That the said Articles, except the second, shall be, and are hereby, ratified, by the Legislature of this State.

STATE OF NEW YORK, IN ASSEMBLY,  
February 22, 1790.

This bill having been read the third time,

*Resolved,* That this bill do pass.

By order of the Assembly,  
GULIAN VERPLANCK, *Speaker.*

STATE OF NEW YORK, IN SENATE,  
February 24, 1790.

This bill having been read a third time,

*Resolved,* That this bill do pass.

By order of the Senate,  
ISAAC ROOSEVELT,  
*President pro hac vice.*

BY THE STATE OF PENNSYLVANIA.

IN GENERAL ASSEMBLY,  
*State of Pennsylvania,* to wit:

In pursuance of a resolution of the General Assembly of the State of Pennsylvania, being the Legislature thereof, I do hereby certify that the paper hereunto annexed contains an exact and true exemplification of the act whereof it purports to be a copy, by virtue whereof the several amendments therein mentioned, proposed to the Constitution of the United States, were, on the part of the Commonwealth of Pennsylvania, agreed to, ratified, and confirmed.

Given under my hand, and the Seal of the State, this eleventh day of March, in the year of our Lord one thousand seven hundred and ninety.

RICHARD PETERS, *Speaker.*

AN ACT declaring the assent of this State to certain amendments to the Constitution of the United States.

SECTION 1. Whereas, in pursuance of the fifth article of the Constitution of the United States, certain Articles of Amendment to the said Constitution have been proposed by the Congress of the United States, for the consideration of the Legislatures of the several States: And whereas this House, being the Legislature of the State of Pennsylvania, having maturely deliberated thereupon, have resolved to adopt and ratify the articles hereafter enumerated, as part of the Constitution of the United States:

SECTION 2. *Be it enacted, therefore, and it is hereby enacted by the Representatives of the Freemen of the Commonwealth of Pennsylvania, in General Assembly met, and by the authority of the same,* That the following amendments to the Constitution of the United States, proposed by the Congress thereof, viz:

[Here follow the third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth articles, which were proposed by Congress to the Legislatures of the several States, as amendments to the Constitution of the United States.]

Be, and they are hereby, ratified, on behalf of this State, to become, when ratified by the Legislatures of three-fourths of the several States, part of the Constitution of the United States.

Signed by order of the House,  
RICHARD PETERS,  
*Speaker of the G. A.*

*Amendments to the Constitution.*

## BY THE STATE OF DELAWARE.

UNITED STATES, March 8, 1790.

*Gentlemen of the Senate**and House of Representatives:*

I have received from His Excellency Joshua Clayton, President of the State of Delaware, the Articles proposed by Congress to the Legislatures of the several States, as Amendments to the Constitution of the United States, which articles were transmitted to him for consideration of the Legislature of Delaware, and are now returned, with the following resolutions annexed to them, viz:

"The General Assembly of Delaware having taken into their consideration the above Amendments, proposed by Congress to the respective Legislatures of the several States:

*Resolved*, That the first article be postponed.

*Resolved*, That the General Assembly do agree to the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth articles; and we do hereby assent to, ratify, and confirm, the same, as part of the Constitution of the United States.

In testimony whereof, we have caused the great seal of the State to be hereunto affixed, this twenty-eighth day of January, in the year of our Lord one thousand seven hundred and ninety, and in the fourteenth year of the Independence of the Delaware State.

Signed by order of the Council,

GEO. MITCHELL, *Speaker*.

Signed by order of the Ho. of Assembly,

JEHU DAVIS, *Speaker*."

## BY THE STATE OF MARYLAND.

ANNAPOLIS, January 15, 1790.

SIR: I have the honor to enclose a copy of an Act of the Legislature of Maryland, to ratify certain articles in addition to, and amendment of, the Constitution of the United States of America, proposed by Congress to the Legislatures of the several States.

I have the honor to be, with the highest respect, sir, your most obedient servant,

J. E. HOWARD.

His Excellency the PRESIDENT  
of the United States.

[Here follows an Act of the Legislature enumerating all the twelve Amendments proposed by Congress, concluding with the following enacting clause:]

*Be it enacted by the General Assembly of Maryland*, That the aforesaid articles, and each of them, be, and they are hereby, confirmed and ratified.

By the House of Delegates, Dec. 17, 1789.

Read and assented to. By order.

W. HARWOOD, *Clerk*.

By the Senate, Dec. 19, 1790.

Read and assented to. By order.

H. RIDGELY, *Clerk*.

## BY THE STATE OF SOUTH CAROLINA.

CHARLESTON, January 28, 1790.

I have the honor to transmit you the entire adoption, by the Legislature of this State, of the Amendments proposed to the Constitution of the United States.

I am, with the most perfect esteem and respect, your most obedient servant,

CHARLES PINCKNEY.

IN THE HOUSE OF REPRESENTATIVES,

January 18, 1790.

The House took into consideration the Report of the committee to whom was referred the resolution of the Congress of the United States, of the fourth day of March, one thousand seven hundred and eighty-nine, proposing Amendments to the Constitution of the United States.

After enumerating all the twelve articles, it is added,

Which being read through, was agreed to.

*Resolved*, That this House do adopt the said several articles, and that they become a part of the Constitution of the United States.

*Resolved*, That the resolutions be sent to the Senate for their concurrence.

By order of the House:

JACOB READ,

*Speaker of the House Reps.*

IN SENATE, January 19, 1790.

*Resolved*, That this House do concur with the House of Representatives in the foregoing resolutions.

By order of the Senate:

D. DE SAUSSURE,

*President of the Senate.*

## BY THE STATE OF NORTH CAROLINA.

AN ACT to ratify the Amendments to the Constitution of the United States.

Whereas the Senate and House of Representatives of the United States of America in Congress assembled, on the fourth day of March, did resolve, two-thirds of both Houses concurring, that the following articles be proposed to the Legislatures of the several States, as amendments to the Constitution of the United States, all or any of which articles, when ratified by three-fourths of the said Legislatures, to be valid, to all intents and purposes, as part of said Constitution.

[Here follow the several Articles of Amendment, verbatim, as proposed by Congress to the Legislatures of the several States.]

*Be it therefore enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same*, That the said Amendments, agreeable to the fifth article of the original Constitution, be held and ratified on the part of this State as articles in addition to, and amendment of, the Constitution of the United States of America.

CHA'S JOHNSON, S. S.

S. CABARRUS, S. H. C.

*Amendments to the Constitution.*

Read three times, and ratified in General Assembly, this 22d day of December, Anno Domini 1789.

JAMES GLASGOW, *Sec.*

BY THE STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS.

*In General Assembly, June Session, 1790.*

AN ACT for ratifying certain articles as Amendments to the Constitution of the United States of America, and which were proposed by the Congress of the said States, at their session in March, A. D. 1788, to the Legislatures of the several States, pursuant to the fifth article of the aforesaid Constitution.

*Be it enacted by the General Assembly, and by the authority thereof it is hereby enacted,* That the following articles, proposed by the Congress of the United States of America, at their session in March, A. D. 1789, to the Legislatures of the several States, for ratification, as Amendments to the Constitution of the United States, pursuant to the fifth article of the said Constitution, be, and the same are hereby, fully assented to, and ratified on the part of this State.

[Here follow all the Amendments proposed by Congress, except the second.]

It is *Ordered*, That his Excellency the Governor be, and he is hereby, requested to transmit to the President of the said United States, under the seal of this State, a copy of this act, to be communicated to the Senate and House of Representatives of the Congress of the United States.

A true copy, duly examined,  
HENRY WARD, *Secretary*.

BY THE STATE OF NEW JERSEY.

AN ACT to ratify, on the part of this State, certain Amendments to the Constitution of the United States.

Whereas the Congress of the United States, begun and held at the city of New York, on

Wednesday, the fourth day of March, one thousand seven hundred and eighty-nine, resolved, two-thirds of both Houses concurring, that sundry articles be proposed to the Legislatures of the several States as Amendments to the Constitution of the United States, all or any of which articles, when ratified by three-fourths of the said Legislatures, to be valid to all intents and purposes, as part of the said Constitution:

And whereas the President of the United States did, in pursuance of a resolve of the Senate and House of Representatives of the United States of America in Congress assembled, transmit to the Governor of this State the Amendments proposed by Congress, which were by him laid before the Legislature for their consideration: Wherefore,

1. *Be it enacted by the Council and General Assembly of this State, and it is hereby enacted by the authority of the same,* That the following Articles, proposed by Congress, in addition to, and amendment of, the Constitution of the United States,

[Here follow, verbatim, the first, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth Articles of the said Amendments proposed by Congress to the Legislatures of the several States.]

Be, and the same are hereby, ratified and adopted by the State of New Jersey.

HOUSE OF ASSEMBLY, Nov. 19, 1789.

This bill having been three times read in this House,

*Resolved*, That the same do pass.

By order of the House:  
JOHN BEATY, *Speaker*.

COUNCIL CHAMBER, Nov. 20, 1789.

This bill having been three times read in Council,

*Resolved*, That the same do pass.

By order of the House:  
WILLIAM LIVINGSTON,  
*President*.



*Report on Public Credit.*

## REPORTS AND OTHER DOCUMENTS.

REPORT OF THE SECRETARY OF THE  
TREASURY,*With his Plan for supporting Public Credit.*

The Secretary of the Treasury, in obedience to the resolution of the House of Representatives, of the twenty-first day of September last, has, during the recess of Congress, applied himself to the consideration of a proper plan for the support of the public credit, with all the attention which was due to the authority of the House and to the magnitude of the object.

In the discharge of this duty, he has felt, in no small degree, the anxieties which naturally flow from a just estimate of the difficulty of the task, from a well-founded diffidence of his own qualifications for executing it with success, and from a deep and solemn conviction of the momentous nature of the truth contained in the resolution under which his investigation has been conducted: "That an adequate provision for the support of the public credit is a matter of high importance to the honor and prosperity of the United States."

With an ardent desire that his well-meant endeavors may be conducive to the real advantage of the nation, and with the utmost deference to the superior judgment of the House, he now respectfully submits the result of his inquiries and reflections to their indulgent construction.

In the opinion of the Secretary, the wisdom of the House in giving their explicit sanction to the proposition which has been stated cannot but be applauded by all who will seriously consider and trace through their obvious consequences these plain and undeniable truths.

That exigencies are to be expected to occur in the affairs of nations, in which there will be a necessity for borrowing.

That loans in times of public danger, especially from foreign war, are found an indispensable resource, even to the wealthiest of them.

And that in a country, which, like this, is possessed of little active wealth, or, in other words, little moneyed capital, the necessity for that resource must, in such emergencies, be proportionably urgent.

And as on the one hand, the necessity for borrowing, in particular emergencies, cannot be doubted, so on the other it is equally evident that to be able to borrow, upon good terms, it is essential that the credit of a nation should be well established.

For when the credit of a country is in any degree questionable, it never fails to give an extravagant premium, in one shape or another, upon all the loans it has occasion to make. Nor does the evil end here; the same disadvantage must be sustained upon whatever is to be bought on terms of future payment.

From this constant necessity of borrowing

and buying dear, is easy to conceive how immensely the expenses of a nation in a course of time will be augmented by an unsound state of the public credit.

To attempt to enumerate the complicated variety of mischiefs in the whole system of the social economy which proceed from a neglect of the maxims that uphold public credit, and justify the solicitude manifested by the House on this point would be an improper intrusion on their time and patience.

In so strong a light, nevertheless, do they appear to the Secretary, that on their due observance, at the present critical juncture, materially depends, in his judgment, the individual and aggregate prosperity of the citizens of the United States; their relief from the embarrassments they now experience; their character as a people; the cause of good Government.

If the maintenance of public credit, then, be truly so important, the next inquiry which suggests itself is, by what means is it to be effected? The ready answer to which question is, by good faith, by a punctual performance of contracts. States, like individuals, who observe their engagements, are respected and trusted; while the reverse is the fate of those who pursue an opposite conduct.

Every breach of the public engagements, whether from choice or necessity, is in different degrees hurtful to public credit. When such a necessity does truly exist, the evils of it are only to be palliated by a scrupulous attention, on the part of the Government, to carry the violation no further than the necessity absolutely requires, and to manifest, if the nature of the case admits of it, a sincere disposition to make reparation whenever circumstances shall permit. But with every possible mitigation, credit must suffer, and numerous mischiefs ensue. It is therefore highly important, when an appearance of necessity seems to press upon the public councils, that they should examine well its reality, and be perfectly assured that there is no method of escaping from it, before they yield to its suggestions. For though it cannot safely be affirmed that occasions have never existed, or may not exist, in which violations of the public faith, in this respect, are inevitable, yet there is great reason to believe that they exist far less frequently than precedents indicate; and are oftenest either pretended through levity or want of firmness, or supposed through want of knowledge. Expedients might often have been devised to effect, consistently with good faith, what has been done in contravention of it. Those who are most commonly creditors of a nation are, generally speaking, enlightened men; and there are signal examples to warrant a conclusion, that when a candid and fair appeal is made to them they will understand their true interest too well to refuse

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their concurrence in such modifications of their claims as any real necessity may demand.

While the observance of that good faith, which is the basis of public credit, is recommended by the strongest inducements of political expediency, it is enforced by considerations of still greater authority. There are arguments for it which rest on the immutable principles of moral obligation; and in proportion as the mind is disposed to contemplate, in the order of Providence, an intimate connexion between public virtue and public happiness, will be its repugnancy to a violation of those principles.

This reflection derives additional strength from the nature of the debt of the United States. It was the price of liberty. The faith of America has been repeatedly pledged for it, and with solemnities that give peculiar force to the obligation. There is, indeed, great reason to regret that it has not hitherto been kept; that the necessities of the war, conspiring with inexperience on the subject of finance, produced direct infractions; and that the subsequent period has been a continued scene of negative violation, or non-compliance. But a diminution of this regret arises from the reflection that the last seven years have exhibited an earnest and uniform effort, on the part of the Government of the Union, to retrieve the national credit by doing justice to the creditors of the nation; and that the embarrassments of a defective Constitution, which defeated this laudable effort, had ceased.

From this evidence of a favorable disposition, given by a former Government, the institution of a new one, clothed with powers competent to calling forth the resources of the community, has excited correspondent expectations. A general belief accordingly prevails that the credit of the United States will quickly be established on the firm foundation of an effectual provision for the existing debt. The influence which this has had at home is witnessed by the rapid increase that has taken place in the market value of the public securities. From January to November they rose thirty-three and a third per cent., and from that period to this time they have risen fifty per cent. more; and the intelligence from abroad announces effects proportionably favorable to our national credit and consequence.

It cannot but merit particular attention that among ourselves the most enlightened friends of good government are those whose expectations are the highest.

To justify and preserve their confidence; to promote the increasing respectability of the American name; to answer the calls of justice; to restore landed property to its due value; to furnish new resources both to agriculture and commerce; to cement more closely the union of the States; to add to their security against foreign attack; to establish public order on the basis of an upright and liberal policy—these are the great and invaluable ends to be secured by a proper and adequate provision at the present period for the support of public credit.

To this provision we are invited, not only by the general considerations which have been noticed, but by others of a more particular nature. It will procure to every class of the community some important advantages, and remove some no less important disadvantages.

The advantage to the public creditors from the increased value of that part of their property which constitutes the public debt, needs no explanation.

But there is a consequence of this, less obvious though not less true, in which every other citizen is interested. It is a well-known fact, that in countries where the national debt is properly funded, and an object of undoubted confidence, it answers most of the purposes of money. Transfers of stock or public debt are there equivalent to payments in specie; or in other words stock, in the principal transactions of business, passes current as specie. The same thing would, in all probability, happen here under the like circumstances.

The benefits of this are various and obvious.

First. Trade is extended by it; because there is a larger capital to carry it on, and the merchant can at the same time afford to trade for smaller profits; as his stock which, when unemployed, brings him in an interest from the Government, serves him also as money, when he has a call for it in his commercial operations.

Secondly. Agriculture and manufactures are also promoted by it: for the like reason, the more capital can be commanded to be employed in both; and because the merchant, whose enterprise in foreign trade gives to them activity and extension, has greater means for enterprise.

Thirdly. The interest of money will be lowered by it; for this is always in a ratio to the quantity of money, and to the quickness of circulation. This circumstance will enable both the public and individuals to borrow on easier and cheaper terms.

And from the combination of these effects additional aids will be furnished to labor, to industry, and to arts of every kind.

But these good effects of a public debt are only to be looked for when, by being well funded, it has acquired an adequate and stable value. Till then it has rather a contrary tendency. The fluctuation and insecurity incident to it in an unfunded state render it a mere commodity, and a precarious one. As such, being only an object of occasional and particular speculation, all the money applied to it is so much diverted from the more useful channels of circulation, for which the thing itself affords no substitute; so that, in fact, one serious inconvenience of an unfunded debt is that it contributes to the scarcity of money.

This distinction, which has been little if at all attended to, is of the greatest moment. It involves a question immediately interesting to every part of the community; which is no other than this: whether the public debt, by a provision for it on true principles, shall be rendered

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a substitute for money; or whether, by being left as it is, or being provided for in such a manner as will wound those principles, and destroy confidence, it shall be suffered to continue, as it is, a pernicious drain of our cash from the channels of productive industry.

The effect which the funding of the public debt, on right principles, would have on landed property, is one of the circumstances attending such an arrangement which has been least adverted to, though it deserves the most particular attention. The present depreciated state of that species of property is a serious calamity. The value of cultivated lands in most of the States has fallen since the Revolution from twenty-five to thirty per cent. In those further South the decrease is still more considerable. Indeed, if the representations continually received from that quarter may be credited, lands there will command no price which may not be deemed an almost total sacrifice.

This decrease in the value of lands ought, in a great measure, to be attributed to the scarcity of money; consequently whatever produces an augmentation of the moneyed capital of the country must have a proportionable effect in raising that value. The beneficial tendency of a funded debt in this respect has been manifested by the most decisive experience in Great Britain.

The proprietors of lands would not only feel the benefit of this increase in the value of their property, and of a more prompt and better sale, when they had occasion to sell, but the necessity of selling would be itself greatly diminished. As the same cause would contribute to the facility of loans, there is reason to believe that such of them as are indebted would be able through that resource to satisfy their more urgent creditors.

It ought not, however, to be expected that the advantages, described as likely to result from funding the public debt, would be instantaneous. It might require some time to bring the value of stock to its natural level, and to attach to it that fixed confidence which is necessary to its quality as money. Yet the late rapid rise of the public securities encourages an expectation that the progress of stock to the desirable point will be much more expeditious than could have been foreseen. And as in the mean time it will be increasing in value, there is room to conclude that it will from the outset answer many of the purposes in contemplation. Particularly it seems to be probable that from creditors, who are not themselves necessitous, it will early meet with a ready reception in payment of debts at its price current.

Having now taken a concise view of the inducements to a proper provision for the public debt, the next inquiry which presents itself is, what ought to be the nature of such a provision? This requires some preliminary discussions.

It is agreed on all hands that that part of the debt which has been contracted abroad, and is denominated the foreign debt, ought to be pro-

vided for, according to the precise terms of the contracts relating to it. The discussions which can arise, therefore, will have reference essentially to the domestic part of it, or to that which has been contracted at home. It is to be regretted that there is not the same unanimity of sentiment on this part as on the other.

The Secretary has too much deference for the opinions of every part of the community, not to have observed one which has, more than once, made its appearance in the public prints, and which is occasionally to be met with in conversation. It involves this question, whether a discrimination ought not to be made between original holders of the public securities and the present possessors by purchase. Those who advocate a discrimination are for making a full provision for the securities of the former at their nominal value, but contend that the latter ought to receive no more than the cost to them, and the interest; and the idea is sometimes suggested of making good the difference to the primitive possessor.

In favor of this scheme it is alleged that it would be unreasonable to pay twenty shillings in the pound to one who had not given more for it than three or four; and it is added that it would be hard to aggravate the misfortune of the first owner, who, probably through necessity, parted with his property at so great a loss, by obliging him to contribute to the profit of the person who had speculated on his distresses.

The Secretary, after the most mature reflection on the force of this argument, is induced to reject the doctrine it contains as equally unjust and impolitic, as highly injurious even to the original holders of public securities, as ruinous to public credit.

It is inconsistent with justice, because, in the first place, it is a breach of contract, in violation of the rights of a fair purchaser.

The nature of the contract in its origin is, that the public will pay the sum expressed in the security to the first holder or his assignee. The intent in making the security assignable is that the proprietor may be able to make use of his property by selling it for as much as it may be worth in the market, and that the buyer may be safe in the purchase.

Every buyer, therefore, stands exactly in the place of the seller, has the same right with him to the identical sum expressed in the security, and having acquired that right, by fair purchase, and in conformity to the original agreement and intention of Government, his claim cannot be disputed without manifest injustice.

That he is to be considered as a fair purchaser results from this: whatever necessity the seller may have been under was occasioned by the Government in not making a proper provision for its debts. The buyer had no agency in it, and therefore ought not to suffer. He is not even chargeable with having taken an undue advantage. He paid what the commodity was worth in the market, and took the risks of reimbursement upon himself. He of course gave

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a fair equivalent, and ought to reap the benefit of his hazard; a hazard which was far from inconsiderable, and which, perhaps, turned on little less than a revolution in Government.

That the case of those who parted with their securities from necessity is a hard one cannot be denied. But whatever complaint of injury or claim of redress they may have respects the Government solely. They have not only nothing to object to the persons who relieved their necessities by giving them the current price of their property, but they are even under an implied condition to contribute to the reimbursement of those persons. They knew that, by the terms of the contract with themselves, the public were bound to pay to those to whom they should convey their title the sums stipulated to be paid to them; and that as citizens of the United States they were to bear their proportion of the contribution for that purpose. This, by the act of assignment, they tacitly engage to do; and if they had an option, they could not, with integrity or good faith, refuse to do it without the consent of those to whom they sold.

But though many of the original holders sold from necessity, it does not follow that this was the case with all of them. It may well be supposed that some of them did it either through want of confidence in an eventual provision, or from the allurements of some profitable speculation. How shall these different classes be discriminated from each other? How shall it be ascertained, in any case, that the money which the original holder obtained for his security was not more beneficial to him than if he had held it to the present time, to avail himself of the provision which shall be made? How shall it be known, whether, if the purchaser had employed his money in some other way, he would not be in a better situation than by having applied it in the purchase of securities, though he should now receive the full amount? And if neither of these things can be known, how shall it be determined whether a discrimination, independent of the breach of contract, would not do a real injury to purchasers; and if it included a compensation to the primitive proprietors, would not give them an advantage to which they had no equitable pretensions.

It may well be imagined, also, that there are not wanting instances in which individuals, urged by a present necessity, parted with the securities received by them from the public, and shortly after replaced them with others as an indemnity for their first loss. Shall they be deprived of the indemnity which they have endeavored to secure by so provident an arrangement?

Questions of this sort, on a close inspection, multiply themselves without end, and demonstrate the injustice of a discrimination, even on the most subtle calculations of equity abstracted from the obligation of contract.

The difficulties, too, of regulating the details of a plan for that purpose, which would have even the semblance of equity, would be found

immense. It may well be doubted whether they would not be insurmountable, and replete with such absurd as well as inequitable consequences as to disgust even the proposers of the measure.

As a specimen of its capricious operation it will be sufficient to notice the effect it would have on two persons, who may be supposed two years ago to have purchased each securities at three shillings in the pound, and one of them to retain those bought by him till the discrimination should take place; the other to have parted with those bought by him, within a month past, at nine shillings. The former, who had had most confidence in the Government, would in this case only receive at the rate of three shillings and the interest; while the latter, who had had less confidence, would receive for what cost him the same money at the rate of nine shillings, and his representative, standing in his place, would be entitled to a like rate.

The impolicy of a discrimination results from two considerations; one, that it proceeds upon a principle destructive of that quality of the public debt, or the stock of the nation, which is essential to its capacity for answering the purposes of money—that is, the security of transfer. The other, that as well on this account as because it includes a breach of faith, it renders property in the funds less valuable; consequently induces lenders to demand a higher premium for what they lend, and produces every other inconvenience of a bad state of public credit.

It will be perceived at first sight, that the transferable quality of stock is essential to its operation as money, and that this depends on the idea of complete security to the transferee, and a firm persuasion that no distinction can, in any circumstances, be made between him and the original proprietor.

The precedent of an invasion of this fundamental principle would of course tend to deprive the community of an advantage with which no temporary saving could bear the least comparison.

And it will as readily be perceived, that the same cause would operate a diminution of the value of stock in the hands of the first as well as of every other holder. The price, which any man who should incline to purchase would be willing to give for it, would be in a compound ratio to the immediate chance of the profit it afforded, and to the continuance of his profit. If there was supposed to be any hazard of the latter, the risk would be taken into the calculation, and either there would be no purchase at all, or it would be at a proportionably less price.

For this diminution of the value of stock, every person who should be about to lend to the Government would demand a compensation, and would add to the actual difference between the nominal and the market value, an equivalent for the chance of greater decrease; which, in a precarious state of public credit, is always to be taken into the account.

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Every compensation of this sort, it is evident, would be an absolute loss to the Government.

In the preceding discussion of the impolicy of a discrimination, the injurious tendency of it to those who continue to be the holders of the securities they received from the Government has been explained. Nothing need be added on this head, except that it is an additional and interesting light, in which the injustice of the measure may be seen. It would not only divest present proprietors by purchase of the rights they had acquired under the sanction of public faith, but it would depreciate the property of the remaining original holders.

It is equally unnecessary to add any thing to what has been already said, to demonstrate the fatal influence which the principle of discrimination would have on the public credit.

But there is still a point of view in which it will appear, perhaps, even more exceptionable than in either of the former—it would be repugnant to an express provision of the Constitution of the United States. This provision is, that “all debts contracted, and engagements entered into before the adoption of that Constitution, shall be as valid against the United States under it, as under the Confederation,” which amounts to a constitutional ratification of the contracts respecting the debt, in the state in which they existed under the Confederation. And resorting to that standard, there can be no doubt that the rights of assignee and original holders must be considered as equal.

In exploding thus fully the principle of discrimination, the Secretary is happy in reflecting that he is only the advocate of what has been already sanctioned by the formal and express authority of the Government of the Union, in these emphatic terms: “The remaining class of creditors (say Congress in their circular address to the States of the 26th April, 1783) is composed partly of such of our fellow-citizens as originally lent to the public the use of their funds, or have since manifested most confidence in their country, by receiving transfers from the lenders; and partly of those whose property has been either advanced or assumed for the public service. To discriminate the merits of these several descriptions of creditors would be a task equally unnecessary and invidious. If the voice of humanity plead more loudly in favor of some than of others, the voice of policy, no less than of justice, pleads in favor of all. A wise nation will never permit those who relieve the wants of their country, or who rely most on its faith, its firmness, and its resources, when either of them is distrusted, to suffer by the event.”

The Secretary concluding, that a discrimination between the different classes of creditors of the United States cannot with propriety be made, proceeds to examine whether a difference ought to be permitted to remain between them and another description of public creditors—those of the States individually.

The Secretary, after mature reflection on this point, entertains a full conviction that an assumption of the debts of the particular States by the Union, and a like provision for them as for those of the Union, will be a measure of sound policy and substantial justice.

It would, in the opinion of the Secretary, contribute, in an eminent degree, to an orderly, stable, and satisfactory arrangement of the national finances.

Admitting, as ought to be the case, that a provision must be made in some way or other for the entire debt, it will follow that no greater revenues will be required, whether that provision be made wholly by the United States, or partly by them, and partly by the States separately.

The principal question then must be, whether such a provision cannot be more conveniently and effectually made by one general plan, issuing from one authority, than by different plans originating in different authorities.

In the first case there can be no competition for resources; in the last, there must be such a competition. The consequence of this, without the greatest caution on both sides, might be interfering regulations, and thence collision and confusion. Particular branches of industry might also be oppressed by it. The most productive objects of revenue are not numerous. Either these must be wholly engrossed by one side, which might lessen the efficacy of the provisions by the other, or both must have recourse to the same objects in different modes, which might occasion an accumulation upon them beyond what they could properly bear. If this should not happen, the caution requisite to avoiding it would prevent the revenue's deriving the full benefit of each object. The danger of interference and of excess would be apt to impose restraints very unfriendly to the complete command of those resources, which are the most convenient, and to compel the having recourse to others less eligible in themselves, and less agreeable to the community.

The difficulty of an effectual command of the public resources, in case of separate provisions for the debt, may be seen in another and perhaps more striking light. It would naturally happen that different States, from local considerations, would, in some instances, have recourse to different objects, in others, to the same objects in different degrees, for procuring the funds of which they stood in need. It is easy to conceive how this diversity would affect the aggregate revenue of the country. By the supposition, articles which yielded a full supply in some States, would yield nothing or an insufficient product, in others. And hence the public revenue would not derive the full benefit of those articles from State regulations. Neither could the deficiencies be made good by those of the Union. It is a provision of the national Constitution, that “all duties, imposts, and excises, shall be uniform throughout the United States.” And as the General Government

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would be under the necessity, from motives of policy, of paying regard to the duty which may have been previously imposed upon any article, though but in a single State, it would be constrained either to refrain wholly from any further imposition upon such articles where it had been already rated as high as was proper, or to confine itself to the difference between the existing rate, and what the articles would reasonably bear. Thus the pre-occupancy of an article by a single State would tend to arrest or abridge the impositions of the Union on that article. And as it is supposable that a great variety of articles might be placed in this situation, by dissimilar arrangements of the particular States, it is evident that the aggregate revenue of the country would be likely to be very materially contracted by the plan of separate provisions.

If all the public creditors receive their dues from one source, distributed with an equal hand, their interest will be the same. And having the same interests, they will unite in the support of the fiscal arrangements of the Government; as these, too, can be made with more convenience where there is no competition. These circumstances combined will ensure to the revenue laws a more ready and more satisfactory execution.

If, on the contrary, there are distinct provisions, there will be distinct interests, drawing different ways. That union and concert of views, among the creditors, which in every Government is of great importance to their security, and that of public credit, will not only not exist, but will be likely to give place to mutual jealousy and opposition. And from this cause, the operation of the systems which may be adopted both by the particular States and the Union, with relation to their respective debts, will be in danger of being counteracted.

There are several reasons which render it probable that the situation of the State creditors would be worse than that of the creditors of the Union, if there be not a national assumption of the State debts. Of these it will be sufficient to mention two; one, that a principal branch of revenue is exclusively vested in the Union; the other, that a State must always be checked in the imposition of taxes on articles of consumption, from the want of power to extend the same regulation to the other States, and from the tendency of partial duties to injure its industry and commerce. Should the State creditors stand upon a less eligible footing than the others, it is unnatural to expect they would see with pleasure a provision for them. The influence which their dissatisfaction might have could not but operate injuriously, both for the creditors and credit of the United States.

Hence it is even the interest of the creditors of the Union, that those of the individual States should be comprehended in a general provision. Any attempt to secure to the former either exclusive or peculiar advantages would materially hazard their interests.

Neither would it be just that one class of the public creditors should be more favored than the other. The objects for which both descriptions of the debt were contracted are, in the main, the same. Indeed a great part of the particular debts of the States has arisen from assumptions by them, on account of the Union. And it is most equitable that there should be the same measure of retribution for all.

There is an objection, however, to an assumption of the State debts, which deserves particular notice. It may be supposed that it would increase the difficulty of an equitable settlement between them and the United States.

The principles of that settlement, whenever they shall be discussed, will require all the moderation and wisdom of the Government. In the opinion of the Secretary, that discussion, till further lights are obtained, would be premature.

All, therefore, which he would now think advisable on the point in question would be, that the amount of the debts assumed and provided for should be charged to the respective States, to abide an eventual arrangement. This the United States, as assignees to the creditors, should have an indisputable right to do.

But as it might be a satisfaction to the House to have before them some plan for the liquidation of accounts between the Union and its members, which, including the assumption of the State debts, would consist with equity, the Secretary will submit in this place such thoughts on the subject as have occurred to his own mind, or been suggested to him, most compatible, in his judgment, with the end proposed.

Let each State be charged with all the money advanced to it out of the Treasury of the United States, liquidated according to the specie value, at the time of each advance, with interest at six per cent.

Let it also be charged with the amount, in specie value, of all its securities which shall be assumed, with the interest upon them to the time when interest shall become payable by the United States.

Let it be credited for all moneys paid and articles furnished to the United States, and for all other expenditures during the war, either towards general or particular defence, whether authorized or unauthorized by the United States; the whole liquidated to specie value, and bearing an interest of six per cent. from the several times at which the several payments, advances, and expenditures, accrued.

And let all sums of the Continental money now in the treasuries of the respective States, which shall be paid into the Treasury of the United States, be credited at specie value.

Upon a statement of the accounts according to these principles, there can be little doubt that balances would appear in favor of all the States against the United States.

To equalise the contributions of the States, let each be then charged with its proportion of



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the aggregate of those balances, according to some equitable ratio, to be devised for that purpose.

If the contributions should be found disproportionate, the result of this adjustment would be that some States would be creditors, some debtors to the Union.

Should this be the case, it will be attended with less inconvenience for the United States to have to pay balances to than to receive them from the particular States; it may, perhaps, be practicable to effect the former by a second process, in the nature of a transfer of the amount of the debts of the debtor States, to the credit of the creditor States, observing the ratio by which the first apportionment shall have been made. This, whilst it would destroy the balances due to the former, would increase those due to the latter: these to be provided for by the United States, at a reasonable interest, but not to be transferable.

The expediency of this second process must depend on a knowledge of the result of the first. If the inequalities should be too great, the arrangement may be impracticable without unduly increasing the debt of the United States. But it is not likely that this would be the case. It is also to be remarked, that though this second process might not, upon the principle of apportionment, bring the thing to the point aimed at, yet it may approach so nearly to it as to avoid essentially the embarrassment of having considerable balances to collect from any of the States.

The whole of this arrangement to be under the superintendence of Commissioners, vested with equitable discretion, and final authority.

The general principle of it seems to be equitable, for it appears difficult to conceive a good reason why the expenses for the particular defence of a part in a common war should not be a common charge, as well as those incurred professedly for the general defence. The defence of each part is that of the whole; and unless all the expenditures are brought into a common mass, the tendency must be to add to the calamities suffered, by being the most exposed to the ravages of war, and increase of burthens.

The plan seems to be susceptible of no objection which does not belong to every other that proceeds on the idea of a final adjustment of accounts. The difficulty of settling a ratio is common to all. This must, probably, either be sought for in the proportions of the requisitions during the war, or in the decision of Commissioners appointed with plenary power. The rule prescribed in the Constitution with regard to representation and direct taxes would evidently not be applicable to the situation of parties during the period in question.

The existing debt of the United States is excluded from the computation, as it ought to be, because it will be provided for out of a general fund.

The only discussion of a preliminary kind

which remains, relates to the distinctions of the debt into principal and interest. It is well known that the arrears of the latter bear a large proportion to the amount of the former. The immediate payment of these arrears is evidently impracticable, and a question arises, what ought to be done with them?

There is good reason to conclude, that the impressions of many are more favorable to the claim of the principal, than to that of the interest; at least so far as to produce an opinion that an inferior provision might suffice for the latter.

But to the Secretary this opinion does not appear to be well founded. His investigations of the subject have led him to a conclusion that the arrears of interest have pretensions at least equal to the principal.

The liquidated debt, traced to its origin, falls under two principal discriminations. One, relating to loans; the other, to services performed and articles supplied.

The part arising from loans was at first made payable at fixed periods, which have long since elapsed, with an early option to lenders either to receive back their money at the expiration of those periods, or to continue it at interest until the whole amount of Continental bills circulating should not exceed the sum in circulation at the time of each loan. This contingency, in the sense of the contract, never happened; and the presumption is, that the creditors preferred continuing their money indefinitely at interest to receiving it in a depreciated and depreciating state.

The other parts of it were chiefly for objects which ought to have been paid for at the time; that is, when the services were performed or the supplies furnished, and were not accompanied with any contract for interest. But by different acts of Government and the Administration, concurred in by the creditors, these parts of the debt have been converted into a capital bearing an interest of six per cent. per annum, but without definite period of redemption. A portion of the Loan-office debt has been exchanged for new securities of that import; and the whole of it seems to have acquired that character after the expiration of the periods fixed for repayment.

If this view of the subject be a just one, the capital of the debt of the United States may be considered in the light of an annuity, at the rate of six per cent. per annum, redeemable at the pleasure of the Government, by payment of the principal. For it seems to be a clear position, that when a public contracts a debt payable with interest, without any precise time being stipulated or understood for payment of the capital, that time is a matter of pure discretion with the Government, which is at liberty to consult its own convenience respecting it, taking care to pay the interest with punctuality.

Wherefore, as long as the United States should pay the interest of their debt, as it accrued, their creditors would have no right to demand the principal.

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But with regard to the arrears of interest, the case is different. These are now due, and those to whom they are due have a right to claim immediate payment. To say that it would be impracticable to comply, would not vary the nature of the right. Nor can this idea of impracticability be honorably carried further than to justify the proposition of a new contract upon the basis of a commutation of that right for an equivalent. This equivalent, too, ought to be a real and fair one. And what other fair equivalent can be imagined for the detention of money, but a reasonable interest? Or what can be the standard of that interest but the market rate, or the rate which the Government pays in ordinary cases?

From this view of the matter, which appears to be the accurate and true one, it will follow that the arrears of interest are entitled to an equal provision with the principal of the debt.

The result of the foregoing discussions is this: That there ought to be no discrimination between the original holders of the debt, and present possessors by purchase; that it is expedient there should be an assumption of State debts by the Union, and the arrears of interest should be provided for on an equal footing with the principal.

The next inquiry in order, towards determining the nature of a proper provision, respects the quantum of the debt, and the present rates of interest.

The debt of the Union is distinguishable into foreign and domestic.

The foreign debt amounts to principal,  
\$10,070,307 00  
Bearing an interest of four, and partly an interest of five per cent.

Arrears of interest to the last of December, 1789, 1,640,071 62

Making together, \$11,710,378 62  
The domestic debt may be subdivided into liquidated and unliquidated, principal and interest.

The principal of the liquidated part amounts to 27,383,917 74  
Bearing an interest of six per cent.

The arrears of interest to the end of 1790, amount to 13,030,168 20

Making together, \$40,144,085 94

This includes all that has been paid in indents (except what has come into the Treasury of the United States) which, in the opinion of the Secretary, can be considered in no other light than as interest due.

The unliquidated part of the domestic debt, which consists chiefly

of the Continental bills of credit, is not ascertained, but may be estimated at 2,000,000 00

These several sums constitute the whole of the debt of the United States, amounting together to \$54,124,464 56

That of the individual States is not equally well ascertained. The Secretary, however, presumes that the total amount may be safely stated at twenty-five millions of dollars, principal and interest. The present rate of interest of the State debts is, in general, the same with that of the domestic debt of the Union.

On the supposition, that the arrears of interest ought to be provided for on the same terms with the principal, the annual amount of the interest, which at the existing rates would be payable on the entire mass of the public debt, would be,

On the foreign debt, computing the interest on the principal as it stands, and allowing four per cent. on the arrears of interest, \$542,599 66

On the domestic debt, including that of the States, 4,044,845 15

Making together, \$4,587,444 81

The interesting problem now occurs, Is it in the power of the United States, consistently with those prudential considerations which ought not to be overlooked, to make a provision equal to the purpose of funding the whole debt, at the rates of interest which it now bears, in addition to the sum which will be necessary for the current service of the Government?

The Secretary will not say that such a provision would exceed the abilities of the country; but he is clearly of opinion, that to make it would require the extension of taxation to a degree, and to objects, which the true interest of the public creditor forbids. It is therefore to be hoped, and even to be expected, that they will cheerfully concur in such modifications of their claims, on fair and equitable principles, as will facilitate to the Government an arrangement substantial, durable, and satisfactory to the community. The importance of the last characteristic will strike every discerning mind. No plan, however flattering in appearance, to which it did not belong, could be truly entitled to confidence.

It will not be forgotten, that exigencies may, ere long, arise, which would call for resources greatly beyond what is now deemed sufficient for the current service; and that, should the faculties of the country be exhausted or even strained to provide for the public debt, there could be less reliance on the sacredness of the provision.

But while the Secretary yields to the force of these considerations, he does not lose sight of those fundamental principles of good faith which dictate that every practicable exertion ought to be made scrupulously to fulfil the en-

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agements of the Government; that no change in the rights of its creditors ought to be attempted without their voluntary consent; and that this consent ought to be voluntary in fact, as well as in name. Consequently, that every proposal of a change ought to be in the shape of an appeal to their reason and to their interest; not to their necessities. To this end it is requisite, that a fair equivalent should be offered for what may be asked to be given up, and unquestionable security for the remainder. Without this, an alteration, consistently with the credit and honor of the nation, would be impracticable.

It remains to see, what can be proposed in conformity to these views.

It has been remarked, that the capital of the debt of the Union is to be viewed in the light of an annuity at the rate of six per cent. per annum, redeemable at the pleasure of the Government, by payment of the principal. And it will not be required, that the arrears of interest should be considered in a more favorable light. The same character, in general, may be applied to the debts of the individual States.

This view of the subject admits, that the United States would have it in their power to avail themselves of any fall in the market rate of interest, for reducing that of the debt.

This property of the debt is favorable to the public, unfavorable to the creditor; and may facilitate an arrangement for the reduction of interest, upon the basis of a fair equivalent.

Probabilities are always a rational ground of contract. The Secretary conceives, that there is good reason to believe, if effectual measures are taken to establish public credit, that the Government rate of interest in the United States will, in a very short time, fall at least as low as five per cent., and that in a period not exceeding twenty years, it will sink still lower, probably to four.

There are two principal causes which will be likely to produce this effect; one, the low rate of interest in Europe; the other, the increase of the moneyed capital of the nation, by the funding of the public debt.

From three to four per cent. is deemed good interest in several parts of Europe. Even less is deemed so, in some places. And it is on the decline; the increasing plenty of money continually tending to lower it. It is presumable, that no country will be able to borrow of foreigners upon better terms than the United States, because none can, perhaps, afford so good security. Our situation exposes us less, than that of any other nation, to those casualties, which are the chief causes of expense; our incumbrances, in proportion to our real means, are less, though these cannot immediately be brought so readily into action, and our progress in resources from the early state of the country, and the immense tracts of unsettled territory, must necessarily exceed that of any other. The advantages of this situation have already engaged the attention of the European money-

lenders, particularly among the Dutch. And as they become better understood, they will have the greater influence. Hence, as large a proportion of the cash of Europe as may be wanted, will be, in a certain sense, in our market, for the use of Government. And this will naturally have the effect of a reduction of the rate of interest, not indeed to the level of the places, which send their money to market, but to something much nearer to it than our present rate.

The influence which the funding of the debt is calculated to have, in lowering interest, has been already remarked and explained. It is hardly possible, that it should not be materially affected by such an increase of the moneyed capital of the nation, as would result from the proper funding of seventy millions of dollars. But the probability of a decrease in the rate of interest acquires confirmation from facts, which existed prior to the revolution. It is well known, that in some of the States money might with facility be borrowed, on good security, at five per cent. and, not unfrequently, even at less.

The most enlightened of the public creditors will be most sensible of the justness of this view of the subject, and of the propriety of the use which will be made of it.

The Secretary, in pursuance of it, will assume, as a probability sufficiently great to be a ground of calculation, both on the part of the Government and its creditors, that the interest of money in the United States will, in five years, fall to five per cent., and in twenty, to four. The probability, in the mind of the Secretary, is rather that the fall may be more rapid and more considerable; but he prefers a mean, as most likely to engage the assent of the creditors, and more equitable in itself; because it is predicated on probabilities, which may err on one side as well as on the other.

Premising these things, the Secretary submits to the House the expediency of proposing a loan to the full amount of the debt, as well of the particular States as of the Union, upon the following terms:

First. That for every hundred dollars subscribed, payable in the debt, (as well interest as principal,) the subscriber be entitled, at his option, either

To have two-thirds funded at an annuity, or yearly interest of six per cent., redeemable at the pleasure of the Government, by payment of the principal, and to receive the other third in lands in the Western Territory, at the rate of twenty cents per acre. Or,

To have the whole sum funded at an annuity or yearly interest of four per cent., irredeemable by any payment exceeding five dollars per annum on account both of principal and interest; and to receive, as a compensation for the reduction of interest, fifteen dollars and eighty cents, payable in lands, as in the preceding case. Or,

To have sixty-six dollars and two-thirds of

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a dollar funded immediately at an annuity or yearly interest of six per cent., irredeemable by any payment exceeding four dollars and two-thirds of a dollar per annum, on account both of principal and interest; and to have, at the end of ten years, twenty-six dollars and eighty-eight cents funded at the like interest and rate of redemption. Or,

To have an annuity for the remainder of life, upon the contingency of living to a given age, not less distant than ten years, computing interest at four per cent. Or,

To have an annuity for the remainder of life, upon the contingency of the survivorship of the youngest of two persons, computing interest in this case also at four per cent.

In addition to the foregoing loan, payable wholly in the debt, the Secretary would propose, that one should be opened for ten millions of dollars, on the following plan:

That for every hundred dollars subscribed, payable one-half in specie, and the other half in debt, (as well principal as interest,) the subscriber be entitled to an annuity or yearly interest of five per cent., irredeemable by any payment exceeding six dollars per annum, on account both of principal and interest.

The principles and operation of these different plans may now require explanation.

The first is simply a proposition for paying one-third of the debt in land, and funding the other two-thirds, at the existing rate of interest, and upon the same terms of redemption, to which it is at present subject.

Here is no conjecture, no calculation of probabilities. The creditor is offered the advantage of making his interest principal, and he is asked to facilitate to the Government an effectual provision for his demands, by accepting a third part of them in land, at a fair valuation.

The general price at which the Western lands have been heretofore sold, has been a dollar per acre in public securities; but at the time the principal purchases were made, these securities were worth, in the market, less than three shillings in the pound. The nominal price, therefore, would not be the proper standard, under present circumstances, nor would the precise specie value then given be a just rule; because, as the payments were to be made by instalments, and the securities were, at the times of the purchases, extremely low, the probability of a moderate rise must be presumed to have been taken into the account. Twenty cents, therefore, seem to bear an equitable proportion to the two considerations of value at the time, and likelihood of increase.

It will be understood, that upon this plan the public retains the advantage of availing itself of any fall in the market rate of interest, for reducing that upon the debt, which is perfectly just, as no present sacrifice, either in the quantum of the principal, or in the rate of interest, is required from the creditor.

The inducement to the measure is, the payment of one-third of the debt in land.

The second plan is grounded upon the supposition, that interest, in five years, will fall to five per cent., in fifteen more to four. As the capital remains entire, but bearing an interest of four per cent. only, compensation is to be made to the creditor, for the interest of two per cent. per annum for five years, and of one per cent. per annum, for fifteen years, to commence at the distance of five years. The present value of these two sums or annuities, computed according to the terms of the supposition, is, by strict calculation, fifteen dollars and seven hundred and ninety-two thousandth parts of a dollar; a fraction less than the sum proposed.

The inducement to the measure here is, the reduction of interest to a rate more within the compass of a convenient provision, and the payment of the compensation in lands.

The inducements to the individual are—the accommodation afforded to the public; the high probability of a complete equivalent; the chance even of gain, should the rate of interest fall, either more speedily or in a greater degree, than the calculation supposes. Should it fall to five per cent. sooner than five years; should it fall lower than five before the additional fifteen were expired; or should it fall below four, previous to the payment of the debt, there would be, in each case, an absolute profit to the creditor. As his capital will remain entire, the value of it will increase with every decrease of the rate of interest.

The third plan proceeds upon the like supposition of a successive fall in the rate of interest. And upon that supposition offers an equivalent to the creditor. One hundred dollars, bearing an interest of six per cent. for five years; of five per cent. for fifteen years, and thenceforth of four per cent. (these being successive rates of interest in the market,) is equal to a capital of

\$122 510725 parts,

Bearing an interest of four per centum, which, converted into a capital, bearing a fixed rate of interest of six per cent., is equal to

81 6738166 parts,

The difference between sixty-six dollars and two-thirds of a dollar, (the sum to be funded immediately, and this last sum is

15 0172 parts,

Which, at six per cent. per annum, amounts, at the end of ten years, to the sum to be funded at the expiration of that period.

26 8755 parts,

It ought, however, to be acknowledged, that this calculation does not make allowance for the principle of redemption, which the plan itself includes; upon which principle the

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equivalent in a capital of six per cent. would be, by strict calculation

\$87 50766 parts.

But there are two considerations which induce the Secretary to think, that the one proposed would operate more equitably than this. One is that it may not be very early in the power of the United States to avail themselves of the right of redemption reserved in the plan. The other is, that with regard to the part to be funded at the end of ten years, the principle of redemption is suspended during that time, and the full interest at six per cent. goes on improving at the same rate; which for the last five years will exceed the market rate of interest, according to the supposition.

The equivalent is regulated, in this plan, by the circumstance of fixing the rate of interest higher than it is supposed it will continue to be in the market; permitting only a gradual discharge of the debt in an established proportion, and consequently preventing advantage being taken of any decrease of interest below the stipulated rate.

Thus, the true value of eighty-one dollars and sixty-seven cents, the capital proposed, considered as a perpetuity, and bearing six per cent. interest, when the market rate of interest was five per cent., would be a small fraction more than ninety-eight dollars, when it was four per cent., would be one hundred and twenty-two dollars and fifty-one cents. But the proposed capital being subject to gradual redemption, it is evident, that its value, in such case, would be somewhat less. Yet, from this may be perceived, the manner in which a less capital at a fixed rate of interest becomes an equivalent for a greater capital at a rate liable to variation and diminution.

It is presumable, that those creditors, who do not entertain a favorable opinion of property in Western lands, will give a preference to this last mode of modelling the debt. The Secretary is sincere in affirming, that, in his opinion, it will be likely to prove to the full as beneficial to the creditors as a provision for his debt upon its present terms.

It is not intended, in either case, to oblige the Government to redeem, in the proportion specified, but to secure to it the right of doing so, to avoid the inconvenience of a perpetuity.

The fourth and fifth plans abandon the supposition which is the basis of the two preceding ones, and offer only four per cent. throughout.

The reason of this is, that the payment being deferred, there will be an accumulation of compound interest, in the intermediate period against the public, which, without a very provident administration, would turn to its detriment; and the suspension of the burthen would be too apt to beget a relaxation of efforts in the mean time. The measure, therefore, its object being temporary accommodation, could only be advisable upon a moderate rate of interest.

With regard to individuals, the inducement

will be sufficient at four per cent. There is no disposition of money, in private loans, making allowance for the usual delays and casualties, which would be equally beneficial as a future provision.

A hundred dollars advanced upon the life of a person of eleven years old would produce an annuity,

	<i>Dolls.</i>	<i>Parts.</i>
If commencing at twenty-one, of	10	346
If commencing at thirty-one, of	18	803
If commencing at forty-one, of	37	286
If commencing at fifty-one, of	78	580

The same sum advanced upon the chance of the survivorship of the youngest of two lives, one of the persons being twenty-five, the other thirty years old, would produce, if the youngest of the two should survive, an annuity for the remainder of life, of 23 dollars, 556 parts.

From these instances may readily be discerned the advantages which these deferred annuities afford for securing a comfortable provision for the evening of life, or for wives who survive their husbands.

The sixth plan also relinquishes the supposition, which is the foundation of the second and third, and offers a higher rate of interest upon similar terms of redemption, for the consideration of the payment of one-half of the loan in specie. This is a plan highly advantageous to the creditors, who may be able to make that payment; while the specie itself could be applied in purchases of the debt, upon terms which would fully indemnify the public for the increased interest.

It is not improbable that foreign holders of the domestic debt may embrace this as a desirable arrangement.

As an auxiliary expedient, and by way of experiment, the Secretary would propose a loan upon the principles of a tontine.

To consist of six classes, composed respectively of persons of the following ages:

First class, of those of twenty years and under.

Second class, of those above twenty, and not exceeding thirty.

Third class, of those above thirty, and not exceeding forty.

Fourth class, of those above forty, and not exceeding fifty.

Fifth class, of those above fifty, and not exceeding sixty.

Sixth class, of those above sixty.

Each share to be two hundred dollars. The number of shares in each class to be indefinite. Persons to be at liberty to subscribe on their own lives, or on those of others nominated by them.

	<i>Dolls.</i>	<i>Cents.</i>
The annuity upon a share in the first class to be	-	8 40
upon a share in the sec'd	8	65
upon a share in the third	9	0
upon a share in the fourth	9	65
upon a share in the fifth	10	70
upon a share in the sixth	12	80

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The annuities of those who die to be equally divided among the survivors, until four-fifths shall be dead, when the principle of survivorship shall cease, and each annuitant thenceforth enjoy his dividend as a several annuity during the life upon which it shall depend.

These annuities are calculated on the best life in each class, and at a rate of interest of four per cent., with some deductions in favor of the public. To the advantages which these circumstances present, the cessation of the right of survivorship on the death of four-fifths of the annuitants will be no inconsiderable addition.

The inducements to individuals are a competent interest for their money from the outset, secured for life, and the prospect for continual increase, and even of large profit to those, whose fortune it is, to survive their associates.

It will have appeared, that in all the proposed loans the Secretary has contemplated the putting the interest upon the same footing with the principal. That on the debt of the United States he would have computed to the last of the present year. That on the debt of the particular States to the last of the year 1791; the reason for which distinction will be seen hereafter.

In order to keep up a due circulation of money, it will be expedient that the interest of the debt should be paid quarter-yearly. This regulation will, at the same time, conduce to the advantage of the public creditors, giving them, in fact, by the anticipation of payment, a highest rate of interest; which may, with propriety, be taken into the estimate of compensation to be made to them. Six per cent. per annum, paid in this mode, will truly be worth six dollars, and one hundred and thirty-five thousandth parts of a dollar, computing the market interest at the same rate.

The Secretary thinks it advisable to hold out various propositions, all of them compatible with the public interest, because it is, in his opinion, of the greatest consequence, that the debt should, with the consent of the creditors, be remoulded into such shape as will bring the expenditure of the nation to a level with its income. Till this shall be accomplished, the finances of the United States will never wear a proper countenance. Arrears of interest, continually accruing, will be as continual a monument either of inability or of ill faith, and will not cease to have an evil influence on public credit. In nothing are appearances of greater moment than in whatever regards credit. Opinion is the soul of it, and this is affected by appearances as well as realities. By offering an option to the creditors, between a number of plans, the change meditated will be more likely to be accomplished. Different tempers will be governed by different views of the subject.

But while the Secretary would endeavor to effect a change in the form of the debt, by new loans, in order to render it more susceptible of an adequate provision, he would not think it

proper to aim at procuring the concurrence of the creditors by operating upon their necessities.

Hence, whatever surplus of revenue might remain, after satisfying the interest of the new loans, and the demand for the current service, ought to be divided among those creditors, if any, who may not think fit to subscribe to them. But for this purpose, under the circumstance of depending propositions, a temporary appropriation will be most advisable, and the sum must be limited to four per cent. as the revenues will only be calculated to produce in that proportion to the entire debt.

The Secretary confides, for the success of the propositions to be made, on the goodness of the reasons upon which they rest; on the fairness of the equivalent to be offered in each case; on the discernment of the creditors of their true interest; and on their disposition to facilitate the arrangements of the Government, and to render them satisfactory to the community.

The remaining part of the task to be performed is, to take a view of the means of providing for the debt, according to the modification of it which is proposed.

On this point the Secretary premises that, in his opinion, the funds to be established ought, for the present, to be confined to the existing debt of the United States; as well because a progressive augmentation of the revenue will be most convenient, as because the consent of the State creditors is necessary to the assumption contemplated; and though the obtaining of that consent may be inferred with great assurance from their obvious interest to give it, yet till it shall be obtained, an actual provision for the debt would be premature. Taxes could not, with propriety, be laid for an object which depended on such a contingency.

All that ought now to be done respecting it is to put the matter in an effectual train for a future provision. For which purpose the Secretary will, in the course of this report, submit such propositions as appear to him advisable.

The Secretary now proceeds to a consideration of the necessary funds.

It has been stated that the debt of the United States consists of

The foreign debt, amounting, with arrears of interest, to	\$11,710,378 62
And the domestic debt, amounting, with like arrears, computed to the end of the year 1790, to	42,414,085 94
Making together,	\$54,124,464 56

The interest of the domestic debt is computed to the end of this year, because the details of carrying any plan into execution will exhaust the year.

The annual interest of the foreign debt has been stated at	\$ 542,599 66
And the interest of the domestic debt, at four per cent., would amount to	1,696,563 43
Making together,	\$2,239,163 09



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Thus, to pay the interest of the foreign debt, and to pay four per cent. on the whole of the domestic debt, principal and interest, forming a new capital, will require a yearly income of \$2,239,163 09.

The sum which, in the opinion of the Secretary, ought now to be provided in addition to what the current service will require.

For though the rate of interest proposed by the third plan exceeds four per cent. on the whole debt, and the annuities on the tontine will also exceed four per cent. on the sums which may be subscribed; yet as the actual provision for a part is, in the former case, suspended, as measures for reducing the debt by purchases may be advantageously pursued, and as the payment of the deferred annuities will of course be postponed, four per cent. on the whole will be a sufficient provision.

With regard to the instalments of the foreign debt, these, in the opinion of the Secretary, ought to be paid by new loans abroad. Could funds be conveniently spared from other exigencies for paying them, the United States could ill bear the drain of cash at the present juncture which the measure would be likely to occasion.

But to the sum which has been stated for payment of interest must be added a provision for the current service. This the Secretary estimates at \$600,000, making, with the amount of the interest, \$2,839,163 09.

This sum may, in the opinion of the Secretary, be obtained from the present duties on imports and tonnage, with the additions which, without any possible disadvantage either to trade or agriculture, may be made on wines, spirits, (including those distilled within the United States,) teas, and coffee.

The Secretary conceives that it will be sound policy to carry the duties upon articles of this kind as high as will be consistent with the practicability of a safe collection. This will lessen the necessity both of having recourse to direct taxation, and of accumulating duties where they would be more inconvenient to trade, and upon objects which are more to be regarded as necessities of life.

That the articles which have been enumerated will, better than most others, bear high duties, can hardly be a question. They are all of them, in reality, luxuries, the greatest part of them foreign luxuries; some of them, in the excess in which they are used, pernicious luxuries. And there is, perhaps, none of them which is not consumed in so great abundance, as may justly denominate it a source of national extravagance and impoverishment. The consumption of ardent spirits particularly, no doubt very much on account of their cheapness, is carried to an extreme, which is truly to be regretted, as well in regard to the health and the morals as to the economy of the community.

Should the increase of duties tend to a decrease of the consumption of those articles, the effect would be, in every respect, desirable.

The saving which it would occasion would leave individuals more at ease, and promote a more favorable balance of trade. As far as this decrease might be applicable to distilled spirits, it would encourage the substitution of cider and malt liquors, benefit agriculture, and open a new and productive source of revenue.

It is not, however, probable that this decrease would be in a degree which would frustrate the expected benefit to the revenue from raising the duties. Experience has shown that luxuries of every kind lay the strongest hold on the attachments of mankind, which, especially when confirmed by habit, are not easily alienated from them.

The same fact affords a security to the merchant that he is not likely to be prejudiced by considerable duties on such articles. They will usually command a proportional price. The chief things in this view to be attended to are, that the terms of payment be so regulated as not to require inconvenient advances, and that the mode of collection be secure.

The other reasons which plead for carrying the duties upon the articles which have been mentioned, to as great extent as they will well bear, may be added these; that they are of a nature, from their extensive consumption, to be very productive, and are amongst the most difficult objects of illicit introduction.

Invited by so many motives to make the best use of the resource which these articles afford, the essential inquiry is, in what mode can the duties upon them be most effectually collected?

With regard to such of them as will be brought from abroad, a duty on importation recommends itself by two leading considerations; one is, that meeting the object at its first entrance into the country the collection is drawn to a point, and so far simplified; the other is, that it avoids the possibility of interference between the regulations of the United States and those of the particular States.

But a duty, the precautions for the collection of which should terminate with the landing of the goods, as is essentially the case in the existing system, could not, with safety, be carried to the extent which is contemplated.

In that system, the evasion of the duties depends, as it were, on a single risk. To land the goods in defiance of the vigilance of the officers of the customs is almost the sole difficulty. No future pursuit is materially to be apprehended. And where the inducement is equivalent to the risk, there will be found too many who are willing to run it. Consequently there will be extensive frauds on the revenue, against which the utmost rigor of penal laws has proved, as often as it has been tried, an ineffectual guard.

The only expedient which has been discovered for conciliating high duties with a safe collection is the establishment of a second or interior scrutiny.

By pursuing the article from its importation into the hands of the dealers in it, the risk of

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detection is so greatly enhanced that few, in comparison, will venture to incur it. Indeed, every dealer, who is not himself the fraudulent importer, then becomes, in some sort, a sentinel upon him.

The introduction of a system, founded on this principle, in some shape or other, is, in the opinion of the Secretary, essential to the efficacy of every attempt to render the revenues of the United States equal to their exigencies, their safety, their prosperity, their honor.

Nor is it less essential to the interest of the honest and fair trader. It might even be added, that every individual citizen, besides his share in the general weal, has a particular interest in it. The practice of smuggling never fails to have one of two effects, and sometimes unites them both. Either the smuggler undersells the fair trader, as, by saving the duty, he can afford to do, and makes it a charge upon him; or he sells at the increased price occasioned by the duty, and defrauds every man who buys of him of his share of what the public ought to receive. For it is evident that the loss falls ultimately upon the citizens, who must be charged with other taxes to make good the deficiency, and supply the wants of the State.

The Secretary will not presume that the plan which he shall submit to the consideration of the House is the best which could be devised. But it is the one which has appeared to him freest from objections of any that has occurred of equal efficacy. He acknowledges, too, that it is susceptible of improvement by other precautions in favor of the revenue, which he did not think it expedient to add. The chief outlines of the plan are not original, but it is no ill recommendation of it that it has been tried with success.

The Secretary accordingly proposes,

That the duties heretofore laid upon wines, distilled spirits, teas, and coffee should, after the last day of May next, cease, and that instead of them the following duties be laid:—

Upon every gallon of Madeira wine, of the quality of London particular, thirty-five cents.

Upon every gallon of other Madeira wine, thirty cents.

Upon every gallon of Sherry, twenty-five cents.

Upon every gallon of other wine, twenty cents.

Upon every gallon of distilled spirits, more than ten per cent. below proof, according to Dicas's hydrometer, twenty cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twenty-one cents.

Upon every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, twenty-two cents.

Upon every gallon of those spirits above proof, but not exceeding twenty per cent. according to the same hydrometer, twenty-five cents.

Upon every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, thirty cents.

Upon every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, forty cents.

Upon every pound of hyson tea, forty cents.

Upon every pound of other green tea, twenty-four cents.

Upon every pound of souchong and other black teas, except bohea, twenty cents.

Upon every pound of bohea, twelve cents.

Upon every pound of coffee, five cents.

That upon spirits distilled within the United States, from molasses, sugar, or other foreign materials, there be paid,

Upon every gallon of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, eleven cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twelve cents.

Upon every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, thirteen cents.

Upon every gallon of those spirits above proof, and not exceeding twenty per cent. according to the same hydrometer, fifteen cents.

Upon every gallon of those spirits, more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, twenty cents.

Upon every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, thirty cents.

That upon spirits distilled within the United States, in any city, town, or village, from materials of the growth or production of the United States, there be paid,

Upon every gallon of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, nine cents.

Upon every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, ten cents.

Upon every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, eleven cents.

Upon every gallon of those spirits above proof, but not exceeding twenty per cent. according to the same hydrometer, thirteen cents.

Upon every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, seventeen cents.

Upon every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, twenty-five cents.

That upon all stills employed in distilling spirits from materials of the growth or production of the United States, in any other place than a city, town, or village, there be paid the yearly sum of sixty cents for every gallon, English wine measure, of the capacity of each still, including its head.

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The Secretary does not distribute the duties on teas into different classes, as has been done in the impost act of the last session; because this distribution depends on considerations of commercial policy, not of revenue. It is sufficient, therefore, for him to remark that the rates above specified are proposed with reference to the lowest class.

The Secretary, conceiving that he could not convey an accurate idea of the plan contemplated by him for the collection of these duties in any mode so effectual as by the draught of a bill for the purpose, begs leave respectfully to refer the House to that which will be found annexed to this report, relatively to the article of distilled spirits; and which, for the better explanation of some of its parts, is accompanied with marginal remarks.

It would be the intention of the Secretary that the duty on wines should be collected upon precisely the same plan with that on imported spirits.

But with regard to teas and coffee, the Secretary is inclined to think that it will be expedient, till experience shall evince the propriety of going further, to exclude the ordinary right of the officers to visit and inspect the places in which those articles may be kept. The other precautions, without this, will afford, though not complete, considerable security.

It will not escape the observation of the House that the Secretary, in the plan submitted, has taken the most scrupulous care that those citizens upon whom it is immediately to operate, be secured from every species of injury by the misconduct of the officers to be employed. There are not only strong guards against their being guilty of abuses of authority; they are not only punishable criminally for any they may commit, and made answerable in damages to individuals for whatever prejudice these may sustain by their acts or neglects; but even where seizures are made with probable cause, if there be an acquittal of the article seized, a compensation to the proprietors for the injury their property may suffer, and even for its detention, is to be made out of the public treasury.

So solicitous indeed has the Secretary been to obviate every appearance of hardship, that he has even included a compensation to the dealers for their agency in aid of the revenue.

With all these precautions to manifest a spirit of moderation and justice on the part of the Government; and when it is considered that the object of the proposed system is the firm establishment of public credit; that on this depends the character, security, and prosperity of the nation; that advantages, in every light important, may be expected to result from it; that the immediate operation of it will be upon an enlightened class of citizens, zealously devoted to good government, and to a liberal and enlarged policy, and that it is peculiarly the interest of the virtuous part of them to co-operate in whatever will restrain the spirit of illicit traffic; there will be perceived to exist

the justest ground of confidence, that the plan, if eligible in itself, will experience the cheerful and prompt acquiescence of the community.

The Secretary computes the nett product of the duties proposed in this report at about one million seven hundred and three thousand four hundred dollars, which, if near the truth, will, together with the probable product of the duties on imports and tonnage, complete the sum required. But it will readily occur that in so unexplored a field there must be a considerable degree of uncertainty in the data. And that, on this account, it will be prudent to have an auxiliary resource for the first year, in which the interest will become payable, that there may be no possibility of disappointment to the public creditors, ere there may be an opportunity of providing for any deficiency which the experiment may discover. This will accordingly be attended to.

The proper appropriation of the funds provided, and to be provided, seems next to offer itself for consideration.

On this head the Secretary would propose that the duties on distilled spirits should be applied, in the first instance, to the payment of the interest of the foreign debt.

That reserving out of the residue of those duties an annual sum of six hundred thousand dollars for the current service of the United States, the surplus, together with the product of the other duties, be applied to the payment of the interest on the new loan, by an appropriation co-extensive with the duration of the debt.

And that if any part of the debt should remain unsubscribed, the excess of the revenue be divided among the creditors of the unsubscribed part by a temporary disposition, with a limitation, however, to four per cent.

It will hardly have been unnoticed, that the Secretary has been thus far silent on the subject of the post-office. The reason is, that he has had in view the application of the revenue arising from that source to the purposes of a sinking fund. The postmaster-general gives it as his opinion, that the immediate product of it, upon a proper arrangement, would probably be not less than one hundred thousand dollars. And from its nature, with good management, it must be a growing, and will be likely to become a considerable fund. The postmaster-general is now engaged in preparing a plan which will be the foundation of a proposition for a new arrangement of the establishment. This, and some other points relative to the subject referred to the Secretary, he begs leave to reserve for a future report.

Persuaded as the Secretary is that the proper funding of the present debt will render it a national blessing, yet he is so far from acceding to the position, in the latitude in which it is sometimes laid down, that "public debts are public benefits;" a position inviting to prodigality, and liable to dangerous abuse, that he ardently wishes to see it incorporated, as a fun-

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damental maxim, in the system of public credit of the United States, that the creation of debt should always be accompanied with the means of extinguishment. This he regards as the true secret for rendering public credit immortal. And he presumes that it is difficult to conceive a situation in which there may not be an adherence to the maxim. At least he feels an unfeigned solicitude that this may be attempted by the United States, and that they may commence their measures for the establishment of credit with the observance of it.

Under this impression, the Secretary proposes, that the nett product of the post-office, to a sum not exceeding one million of dollars, be vested in commissioners, to consist of the Vice President of the United States or President of the Senate, the Speaker of the House of Representatives, the Chief Justice, Secretary of the Treasury, and Attorney General of the United States, for the time being, in trust, to be applied by them, or any three of them, to the discharge of the existing public debt, either by purchases of stock in the market, or by payments on account of the principal, as shall appear to them most advisable, in conformity to the public engagements; to continue so vested until the whole of the debt shall be discharged.

As an additional expedient for effecting a reduction of the debt, and for other purposes which will be mentioned, the Secretary would further propose that the same commissioners be authorized, with the approbation of the President of the United States, to borrow, on their credit, a sum not exceeding twelve millions of dollars, to be applied,

First. To the payment of the interest and instalments of the foreign debt, to the end of the present year, which will require \$3,491,923 46.

Secondly. To the payment of any deficiency which may happen in the product of the funds provided for paying the interest of the domestic debt.

Thirdly. To the effecting a change in the form of such part of the foreign debt as bears an interest of five per cent. It is conceived that, for this purpose, a new loan at a lower interest may be combined with other expedients. The remainder of this part of the debt, after paying the instalments which will accrue in the course of 1790, will be \$3,888,888 81.

Fourthly. To the purchase of the public debt at the price it shall bear in the market, while it continues below its true value. This measure, which would be, in the opinion of the Secretary, highly dishonorable to the Government, if it were to precede a provision for funding the debt, would become altogether unexceptionable after that had been made. Its effect would be in favor of the public creditors, as it would tend to raise the value of stock; and all the difference between its true value and the actual price would be so much clear gain to the public. The payment of foreign interest on the capital to be borrowed for this pur-

pose, should that be a necessary consequence, would not, in the judgment of the Secretary, be a good objection to the measure. The saving by the operation would be itself a sufficient indemnity; and the employment of that capital, in a country situated like this, would much more than compensate for it. Besides, if the Government does not undertake this operation, the same inconvenience which the objection in question supposes would happen in another way, with a circumstance of aggravation. As long, at least, as the debt shall continue below its proper value, it will be an object of speculation to foreigners, who will not only receive the interest upon what they purchase, and remit it abroad, as in the case of the loan, but will reap the additional profit of the difference in value. By the Government's entering into competition with them, it will not only reap a part of this profit itself, but will contract the extent and lessen the extra profit of foreign purchases. That competition will accelerate the rise of stock, and whatever greater rate this obliges foreigners to pay for what they purchase is so much clear saving to the nation. In the opinion of the Secretary, and contrary to an idea which is not without patrons, it ought to be the policy of the Government to raise the value of stock to its true standard as fast as possible. When it arrives to that point, foreign speculations, (which till then must be deemed pernicious further than that they serve to bring it to that point,) will become beneficial. Their money laid out in this country upon our agriculture, commerce, and manufactures, will produce much more to us than the income they will receive from it.

The Secretary contemplates the application of this money, through the medium of a National Bank, for which, with the permission of the House, he will submit a plan in the course of the session.

The Secretary now proceeds, in the last place, to offer to the consideration of the House his ideas of the steps which ought at the present session to be taken towards the assumption of the State debts.

These are briefly, that concurrent resolutions of the two Houses, with the approbation of the President, be entered into, declaring, in substance,

That the United States do assume, and will, at the first session in the year 1791, provide, on the same terms with the present debt of the United States, for all such part of the debts of the respective States, or any of them, as shall, prior to the first day of January in the said year 1791, be subscribed towards a loan to the United States, upon the principle of either of the plans which shall have been adopted by them for obtaining a rel oan of their present debt.

Provided that the provision to be made as aforesaid shall be suspended with respect to the debt of any State, which may have exchanged the securities of the United States for others issued by itself, until the whole of the said se-

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curities shall either be re-exchanged or surrendered to the United States.

And provided also, that the interest upon the debt assumed be computed to the end of the year 1791; and that the interest to be paid by the United States commence on the first day of January, 1792.

That the amount of the debt of each State so assumed and provided for be charged to such State in account with the United States, upon the same principles upon which it shall be lent to the United States.

That subscriptions be opened for receiving loans of the said debts at the same times and places, and under the like regulations as shall have been prescribed in relation to the debt of the United States.

The Secretary has now completed the objects which he proposed to himself to comprise in the present report. He has, for the most part, omitted details, as well to avoid fatiguing the attention of the House, as because more time would have been desirable even to digest the general principles of the plan. If these should be found right, the particular modifications will readily suggest themselves in the progress of the work.

The Secretary, in the views which have directed his pursuit of the subject, has been influenced, in the first place, by the consideration that his duty, from the very terms of the resolution of the House, obliged him to propose what appeared to him an adequate provision for the support of the public credit, adapted, at the same time, to the real circumstances of the United States; and in the next, by the reflection that measures which will not bear the test of future unbiassed examination can neither be productive of individual reputation, nor (which is of much greater consequence) public honor or advantage.

Deeply impressed, as the Secretary is, with a full and deliberate conviction, that the establishment of public credit, upon the basis of a satisfactory provision for the public debt, is, under the present circumstances of the country, the true desideratum towards relief from individual and national embarrassments; that, without it, these embarrassments will be likely to press still more severely upon the community, he cannot but indulge an anxious wish that an effectual plan for that purpose may, during the present session, be the result of the united wisdom of the Legislature.

He is fully convinced that it is of the greatest importance that no further delay should attend the making of the requisite provision; not only because it will give a better impression of the good faith of the country, and will bring earlier relief to the creditors; both which circumstances are of great moment to public credit; but because the advantages to the community from raising stock as speedily as possible to its natural value will be incomparably greater than any that can result from its continuance below that standard. No profit which could be derived

from purchases in the market, on account of the Government, to any practicable extent, would be an equivalent for the loss which would be sustained by the purchases of foreigners at a low value: not to repeat that Governmental purchases, to be honorable, ought to be preceded by a provision. Delay, by disseminating doubt, would sink the price of stock; and as the temptation to foreign speculations from the lowness of price would be too great to be neglected, millions would probably be lost to the United States.

All which is humbly submitted.

ALEXANDER HAMILTON,  
*Secretary of the Treasury.*

## REPORT ON PUBLIC CREDIT.

TREASURY DEPARTMENT,  
December 13, 1790.

In obedience to the order of the House of Representatives, of the ninth day of August last, requiring the Secretary of the Treasury to prepare and report, on this day, such further provision as may, in his opinion, be necessary for establishing the public credit, the said Secretary respectfully reports:

That the object which appears to be most immediately essential to the further support of public credit, in pursuance of the plan adopted during the last session of Congress, is, the establishment of proper and sufficient funds, for paying the interest which will begin to accrue after the year one thousand seven hundred and ninety-one, on the amount of the debts of the several States, assumed by the United States; having regard, at the same time, to the probable or estimated deficiency in those already established, as they respect the original debt of the Union.

In order to this, it is necessary, in the first place, to take a view of the sums requisite for those purposes.

	<i>Dolls.</i>	<i>Cts.</i>
The amount which has been assumed of the State debts, is	21,500,000	00
The sum of annual interest upon that amount, which, according to the terms of the proposed loan, will begin to accrue after the year one thousand seven hundred and ninety-one, is	788,333	33
The estimated deficiency, in the funds already established, as they respect the original debt of the United States, is	38,291	40
<b>Making together</b>	<b>826,624</b>	<b>73</b>

For the procuring of which sum, the reiterated reflections of the Secretary have suggested nothing so eligible and unexceptionable, in his judgment, as a further duty on foreign distilled spirits, and a duty on spirits distilled within the United States, to be collected in the mode delineated in the plan of a bill which forms a

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part of his Report to the House of Representatives, of the ninth day of January last.

Under this impression, he begs leave, with all deference, to propose to the consideration of the House—

That the following additions be made to the duties on spirits imported from foreign countries, which are specified in the act making further provision for the payment of the debts of the United States, namely,

On those of the first class of proof therein mentioned, per gallon, eight cents.

On those of the second class, per gallon, eight and a half cents.

On those of the third class, per gallon, nine cents.

On those of the fourth class, per gallon, ten cents.

On those of the fifth class, per gallon, ten cents.

On those of the sixth class, per gallon, fifteen cents.

And that the following duties be laid on spirits distilled within the United States, namely:

If from molasses, sugar, or other foreign materials, and of the said first class of proof, per gallon, eleven cents.

Of the said second class of proof, per gallon, twelve cents.

Of the said third class of proof, per gallon, thirteen cents.

Of the said fourth class of proof, per gallon, fifteen cents.

Of the said fifth class of proof, per gallon, twenty cents.

Of the said sixth class of proof, per gallon, thirty cents.

If from materials of the growth or production of the United States, distilled within any city, town, or village, and of the said first class of proof, per gallon, nine cents.

Of the said second class of proof, per gallon, ten cents.

Of the said third class of proof, per gallon, eleven cents.

Of the said fourth class of proof, per gallon, thirteen cents.

Of the said fifth class of proof, per gallon, seventeen cents.

Of the said sixth class of proof, per gallon, twenty cents.

And upon each still employed in distilling spirits from the like materials in any other place than a city, town, or village, in lieu of the rates above mentioned, the yearly sum of sixty cents for every gallon English wine measure of the capacity of such still including its head; exempting, nevertheless, all such stills, within a certain defined dimension, as are used essentially for domestic purposes of their respective proprietors.

The product of these several duties (which correspond in their rates with those proposed in the Report above referred to, of the ninth of January last) may, upon as good grounds as the nature of the case will admit, prior to an expe-

periment, be computed at eight hundred and seventy-seven thousand and five hundred dollars; the particulars of which computation are contained in the statement which accompanies this Report.

This computed product exceeds the sum which has been stated as necessary to be provided, by fifty thousand eight hundred and seventy-five dollars and twenty-seven cents; an excess, which, if it should be realized by the actual product, may be beneficially applied towards increasing the sinking fund.

The Secretary has been encouraged to renew the proposition of these duties, in the same form in which they were before submitted, from a belief, founded on circumstances which appeared in the different discussions on the subject, that collateral considerations, which were afterwards obviated, rather than objections to the measure itself, prevented its adoption during the last session; from the impracticability which he conceives to exist, of devising any substitute equally conducive to the ease and interest of the community; and from an opinion that the extension of the plan of collection, which it contemplates to the duties already imposed on wines and distilled spirits, is necessary to a well grounded reliance on their efficacy and productiveness.

The expediency of improving the resource of distilled spirits, as an article of revenue, to the greatest practicable extent, had been noticed upon another occasion. Various considerations might be added to those, then adduced, to evince it. But they are too obvious to justify the detail. There is scarcely an attitude in which the object can present itself, which does not invite, by all the inducements of sound policy and public good, to take a strong and effectual hold of it.

The manner of doing it, or in other words, the mode of collection, appears to be the only point about which a difficulty or question can arise. If that suggested be liable to just objections, the united information and wisdom of the Legislative body ensure the substitution of a more perfect plan.

The Secretary, however, begs leave to remark, that there appears to him two leading principles; one or the other of which must necessarily characterize whatever plan may be adopted. One of them makes the security of the revenue to depend chiefly on the vigilance of the public officers; the other rests it, essentially, on the integrity of the individuals, interested to avoid the payment of it.

The first is the basis of a plan submitted by the Secretary; the last has pervaded most, if not all the systems which have been hitherto practised upon in different parts of the United States. The oaths of the dealers have been almost the only security for their compliance with the laws.

It cannot be too much lamented, that these have been found an inadequate dependence. But experience has, on every trial, manifested



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them to be such. Taxes or duties, relying for their collection on that security, wholly, or almost wholly, are uniformly unproductive. And they cannot fail to be unequal, as long as men continue to be discriminated by unequal portions of rectitude. The most conscientious will pay most; the least conscientious, least.

The impulse of interest, always sufficiently great, acts with peculiar force in matters of this kind; in respect to which a loose mode of thinking is too apt to prevail. The want of a habit of appreciating properly the nature of the public rights, renders that impulse, in such cases, too frequently an overmatch for the sense of obligation; and the evasions, which are perceived or suspected to be practised by some, prompt others to imitation, by the powerful motive of self-defence. They infer, that they must follow the example, or be unable to maintain an advantageous competition in the business; an alternative very perplexing to all but men of exact probity, who are thereby rendered, in a great measure, victims to a principle of legislation, which does not sufficiently accord with the bias of human nature. And thus the laws become sources of discouragement and loss to honest industry, and of profit and advantage to perjury and fraud.

It is a truth that cannot be kept too constantly in view, that all revenue laws, which are so constructed as to involve a tax and defective execution, are instruments of oppression to the most meritorious part of those on whom they immediately operate, and of additional burthens on the community at large.

The last effect is produced in two ways. The deficiencies in the funds (which, in the main, afford only partial exemptions) must be supplied from other taxes. And the charges of collection, which, in most cases, are nearly the same, whether a tax or duty yield much or little, occasion an accumulation of the ultimate expense of furnishing a given sum to the Treasury.

Another, and a very serious evil, chargeable on the system opposite to that proposed, is, that it leads to frequent and familiar violations of oaths; which by loosening one of the strongest bands of society, and weakening one of the principal securities to life and property, offends not less against the maxims of good government and sound policy, than against those of religion and morality.

It may not be improper further to remark, that the two great objections to the class of duties denominated excises, are inapplicable to the plan suggested. These objections are:

First, The summary jurisdiction confided to the officers of excise; in derogation from the course of the common law, and the right of trial by jury.

And, secondly, The general power vested in the same officers of visiting and searching indiscriminately the houses, stores, and other buildings of the dealers in excised articles. But by the plan proposed, the officers to be em-

ployed are to be clothed with no such summary jurisdiction, and their discretionary power of visiting and searching is to be restricted to those places, which the dealers themselves shall designate by public insignia or marks; as the depositories of the articles on which the duties are to be laid. Hence it is one of the recommendations of the plan, that it is not liable to those objections.

Duties of the kind proposed are not novel in the United States; as has been intimated in another place. They have existed to a considerable extent, under several of the State Governments, particularly in Massachusetts, Connecticut, and Pennsylvania. In Connecticut, a State exemplary for its attachment to popular principles, not only all ardent spirits, but foreign articles of consumption, generally, have been the subjects of an excise, or inland duty.

If the supposition, that duties of this kind are attended with greater expense in the collection than taxes on land, should seem an argument for preferring the latter, it may be observed, that the fact ought not too readily to be taken for granted. The state of things in England is sometimes referred to as an example on this point. But there the smallness of the expense in the collection of the land tax is to be ascribed to the peculiar modification of it; which proceeding without new assessments, according to a fixed standard long since adjusted, totally disregards the comparative value of lands and the variations in their value. The consequence of this is an inequality, so palpable and extreme, as would be likely to be ill relished by the landholders of the United States. If in pursuit of greater equality, accurate periodical valuations or assessments are to afford a rule, it may well be doubted whether the expense of a land-tax will not always exceed that of the kind of duties proposed.

The ingenious but fallacious hypothesis, that all taxes on consumption fall finally, with accumulated weight on land, is now too generally and too satisfactorily exploded, to require to be combated here. It has become an acknowledged truth, that in the operation of those taxes, every species of capital and industry contribute their proportion to the revenue; and consequently, that as far as they can be made substitutes for taxes on lands, they serve to exempt them from an undue share of the public burthen.

Among other substantial reasons which recommend, as a provision for the public debt, duties upon articles of consumption, in preference to taxes on houses and lands, is this: It is very desirable, if practicable, to reserve the latter fund for objects and occasions, which will more immediately interest the sensibility of the whole community, and more directly affect the public safety. It will be a consolatory reflection, that so capital a resource remains untouched by that provision, which, while it will have a very material influence in favor of public credit, will be also conducive to

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the tranquillity of the public mind in respect to external danger, and will really operate as a powerful guarantee of peace. In proportion as the estimation of our resources is exalted in the eyes of foreign nations, the respect for us must increase, and this must beget a proportionable caution neither to insult nor injure us with levity; while, on the contrary, the appearance of exhausted resources (which would perhaps be a consequence of mortgaging the revenue to be derived from land, for the interest of the public debt) might tend to invite both insult and injury, by inspiring an opinion, that our efforts to resent or repel them were little to be dreaded.

It may not be unworthy of reflection, that while the idea of residuary resources, in so striking a particular, cannot fail to have many beneficial consequences, the suspension of taxes on real-estates can as little fail to be pleasing to the mass of the community; and it may reasonably be presumed, that so provident a forbearance on the part of the Government will insure a more cheerful acquiescence on that part of the class of the community immediately to be affected, whenever experience and the exigency of conjunctures shall dictate a resort to that species of revenue.

But in order to be at liberty to pursue this salutary course, it is indispensable that an efficacious use should be made of those articles of consumption which are the most proper and the most productive; to which class distilled spirits very evidently belong; and a prudent energy will be requisite, as well in relation to the mode of collection, as to the quantum of the duty.

It need scarcely be observed, that the duties on the great mass of imported articles have reached a point which it would not be expedient to exceed. There is, at least, satisfactory evidence, that they cannot be extended further, without contravening the sense of the body of the merchants; and though it is not to be admitted as a general rule, that this circumstance ought to conclude against the expediency of a public measure, yet when due regard is had to the disposition which that enlightened class of citizens has manifested towards the National Government; to the alacrity with which they have hitherto seconded its operation; to the accommodating temper with which they look forward to those additional impositions on the objects of trade, which are to commence with the ensuing year, and to the greatness of the innovation which, in this particular, has already taken place in the former state of things, there will be perceived to exist the most solid reasons against lightly passing the bounds which coincide with their impressions of what is reasonable and proper. It would be, in every view, inauspicious to give occasion for a supposition, that trade alone is destined to feel the immediate weight of the hand of Government, in every new emergency of the Treasury.

However true, as a general position, that the consumer pays the duty, yet it will not follow,

that trade may not be essentially distressed and injured, by carrying duties on importation to a height which is disproportionate to the mercantile capital of the country. It may not only be the cause of diverting too large a share of it from the exigencies of business, but as the requisite advances to satisfy the duties will, in many, if not in most cases, precede the receipts, from the sale of the articles on which they are laid, the consequence will often be sacrifices which the merchant cannot afford to make.

The inconvenience of exceeding the proper limit, in this respect, which will be felt every where, will fall with particular severity on those places which have not the advantage of public banks, and which abound least in pecuniary resources. Appearances do not justify such an estimate of the extent of the mercantile capital of the United States, as to encourage to material accumulation on the already considerable rates of the duties on the mass of foreign importation.

Another motive for caution on this point arises from the reflection, that the effect of an important augmentation, made by law of the last session, is hitherto a mere matter of speculative calculation, and has not yet even begun to be tried.

It is presumable, too, that a still further augmentation would have an influence the reverse of favorable to the public credit. The operation would be apt to be regarded as artificial; as destitute of solidity; as presenting a numerical increase, but involving an actual diminution of revenue. The distrust of the efficacy of the present provision might also be accompanied with a doubt of a better substitute hereafter. The inference would not be unnatural, that a defect of other means, or an inability to command them, could alone have given birth to so unpromising an effort to draw all from one source.

A diversification of the nature of the funds is desirable on other accounts. It is clear that less dependence can be placed on one species of funds, and that, too, liable to the vicissitudes of the continuance, or interruption of foreign intercourse, than upon a variety of different funds formed by the union of internal with external objects.

The inference, from these various and important considerations, seems to be, that to attempt to extract wholly from duties on imported articles the sum necessary to a complete provision for the public debt, would probably be both deceptive and pernicious; incompatible with the interests, not less of revenue than of commerce; that resources of a different kind must of necessity be explored; and that the selection of the most fit objects is the only thing which ought to occupy inquiry.

Besides the establishment of supplementary funds, it is requisite to the support of the public credit that those established should stand upon a footing which will give all reasonable assurance of their effectual collection.

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Among the articles enumerated in the act making further provision for the payment of the public debt of the United States, there are two, wines and teas, in regard to which some other regulations than have yet been adopted seem necessary for the security of the revenue, and desirable for the accommodation of the merchant.

With these views it is submitted, that the term for the payment of the duties on wines be enlarged, as it respects Madeira wines, to eighteen months, and as it respects other wines, to nine months; and that they be collected on a plan similar to that proposed in relation to imported distilled spirits.

And that a third option (two being allowed by the present law) be given to the importers of teas, which shall be, to give bond without surety for the amount of duty in each case, payable in two years, upon the following terms:

The teas to be deposited at the expense and risk of the importer in storehouses to be agreed upon between him and the proper officer of the revenue; each storehouse having two locks, the key of one of which to be in the custody of the importer or his agent, and the key of the other of which to be in the custody of an officer, whose duty it shall be made to attend, at all reasonable times, for the purpose of deliveries.

These deliveries, whether for home sale, or for exportation to a foreign country, to be warranted by permits from the chief officer of inspection of the place.

If for home sale, the permits to be granted after the duties shall have been paid, or secured to be paid.

When the amount of the duties shall not exceed one hundred dollars, four months to be allowed for payment. When it shall exceed one hundred dollars, and not exceed five hundred dollars, the term of payment to be eight months; and twelve months whenever the amount shall exceed five hundred dollars: *Provided*, That the credit shall in no case extend beyond the period of two years originally allowed for the entire sum. If the duties on the whole quantity deposited shall not have been paid, or secured to be paid, before the expiration of that time, it shall be lawful for the proper officer to cause a sale to be made of so much as shall be sufficient to discharge what shall remain unsatisfied. In every case, it shall be at the option of the party applying for the permit, either to pay the amount of the duties on the quantity to be delivered, or to give bond for it, with one or more sureties, to the satisfaction of the officer whose province it shall be to grant the permit.

If the deliveries are to be made for exportation, the permits to be granted upon bond being entered into to secure and ascertain the exportation. This may require some alterations of form, in the manner of proceeding, relatively to the exportation of this article.

All teas to be landed under the care of the inspectors of the revenue, the chests and other packages containing them to be marked, and

certificates which shall accompany them to be granted, as in the case of distilled spirits.

To these more direct expedients for the support of public credit, the institution of a National Bank presents itself as a necessary auxiliary. This, the Secretary regards as an indispensable engine in the administration of the finances. To present this important object in a more distinct and more comprehensive light, he has concluded to make it the subject of a separate Report, which he begs leave herewith to submit.

All which is humbly submitted,  
**ALEXANDER HAMILTON,**  
*Secretary of the Treasury.*

*Estimate of the probable product of the Funds, proposed in the annexed Report.*

4,000,000 gallons of distilled spirits imported from foreign countries, at eight cents per gallon	\$320,000
3,500,000 gallons of spirits, distilled in the United States from foreign materials, at eleven cents per gallon	385,000
3,000,000 gallons distilled from materials of the United States, at nine cents per gallon	270,000
Total	\$975,000
Deduct for drawbacks, and expense of collection, 10 per cent.	97,500
Net product	\$877,500

**REPORT ON A NATIONAL BANK.**

*Communicated to the House of Representatives,  
December 14, 1790.*

**TREASURY DEPARTMENT,**  
December 13, 1790.

In obedience to the order of the House of Representatives, of the ninth day of August last, requiring the Secretary of the Treasury to prepare and report, on this day, such further provision as may, in his opinion, be necessary for establishing the public credit, the said Secretary further respectfully reports:

That, from a conviction (as suggested in his Report now presented) that a National Bank is an institution of primary importance to the prosperous administration of the finances, and would be of the greatest utility in the operations connected with the support of the public credit, his attention has been drawn to devising the plan of such an institution, upon a scale which will entitle it to the confidence, and be likely to render it equal to the exigencies of the public.

Previously to entering upon the detail of this plan, he entreats the indulgence of the House towards some preliminary reflections naturally arising out of the subject, which he hopes will be deemed neither useless nor out of place. Public opinion being the ultimate arbiter of every measure of Government, it can scarcely appear improper, in deference to that, to accom-

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pany the origination of any new proposition with explanations, which the superior information of those to whom it is immediately addressed would render superfluous.

It is a fact, well understood, that public banks have found admission and patronage among the principal and most enlightened commercial nations. They have successively obtained in Italy, Germany, Holland, England, and France, as well as in the United States. And it is a circumstance which cannot but have considerable weight, in a candid estimate of their tendency, that, after an experience of centuries, there exists not a question about their utility in the countries in which they have been so long established. Theorists and men of business unite in the acknowledgment of it.

Trade and industry, wherever they have been tried, have been indebted to them for important aid. And Government has been repeatedly under the greatest obligations to them in dangerous and distressing emergencies. That of the United States, as well in some of the most critical conjunctures of the late war, as since the peace, has received assistance from those established among us, with which it could not have dispensed.

With this twofold evidence before us, it might be expected that there would be a perfect union of opinions in their favor. Yet doubts have been entertained; jealousies and prejudices have circulated; and, though the experiment is every day dissipating them, within the spheres in which effects are best known, yet there are still persons by whom they have not been entirely renounced. To give a full and accurate view of the subject, would be to make a treatise of a report; but there are certain aspects in which it may be cursorily exhibited, which may perhaps conduce to a just impression of its merits. These will involve a comparison of the advantages with the disadvantages, real or supposed, of such institutions.

*The following are among the principal advantages of a Bank:*

First. The augmentation of the active or productive capital of a country. Gold and silver, when they are employed merely as the instruments of exchange and alienation, have been not improperly denominated dead stock; but when deposited in banks, to become the basis of a paper circulation, which takes their character and place, as the signs or representatives of value, they then acquire life, or, in other words, an active and productive quality. This idea, which appears rather subtle and abstract, in a general form, may be made obvious and palpable, by entering into a few particulars. It is evident, for instance, that the money which the merchant keeps in his chest, waiting for a favorable opportunity to employ it, produces nothing till that opportunity arrives. But if, instead of locking it up in this manner, he either deposits it in a bank, or invests it in the stock of a bank, it yields a profit during the interval,

in which he partakes, or not, according to the choice he may have made of being a depositor or a proprietor; and when any advantageous speculation offers, in order to be able to embrace it, he has only to withdraw his money, if a depositor, or, if a proprietor, to obtain a loan from the bank, or to dispose of his stock—an alternative seldom or never attended with difficulty, when the affairs of the institution are in a prosperous train. His money, thus deposited or invested, is a fund upon which himself and others can borrow to a much larger amount. It is a well established fact, that banks in good credit can circulate a far greater sum than the actual quantum of their capital in gold and silver. The extent of the possible excess seems indeterminate; though it has been conjecturally stated at the proportions of two and three to one. This faculty is produced in various ways. 1st. A great portion of the notes which are issued, and pass current as cash, are indefinitely suspended in circulation, from the confidence which each holder has, that he can, at any moment, turn them into gold and silver. 2dly. Every loan which a bank makes, is, in its first shape, a credit given to the borrower on its books, the amount of which it stands ready to pay, either in its own notes, or gold or silver, at his option. But, in a great number of cases, no actual payment is made in either. The borrower frequently, by a check or order, transfers his credit to some other person, to whom he has a payment to make; who, in his turn, is as often content with a similar credit, because he is satisfied that he can, whenever he pleases, either convert it into cash, or pass it to some other hand, as an equivalent for it. And in this manner the credit keeps circulating, performing in every stage the office of money, till it is extinguished by a discount with some person who has a payment to make to the bank, to an equal or greater amount. Thus large sums are lent and paid, frequently through a variety of hands, without the intervention of a single piece of coin. 3dly. There is always a large quantity of gold and silver in the repositories of the bank, besides its own stock, which is placed there, with a view partly to its safe keeping, and partly to the accommodation of an institution, which is itself a source of general accommodation. These deposits are of immense consequence in the operations of a bank. Though liable to be redrawn at any moment, experience proves, that the money so much oftener changes proprietors than place, and that what is drawn out is generally so speedily replaced as to authorize the counting upon the sums deposited as an effective fund, which, concurring with the stock of the bank, enables it to extend its loans, and to answer all the demands for coin, whether in consequence of those loans, or arising from the occasional return of its notes.

These different circumstances explain the manner in which the ability of a bank to circulate a greater sum than its actual capital in

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coin is acquired. This, however, must be gradual, and must be preceded by a firm establishment of confidence—a confidence which may be bestowed on the most rational grounds, since the excess in question will always be bottomed on good security of one kind or another. This every well conducted bank carefully requires, before it will consent to advance either its money or its credit, and where there is an auxiliary capital, (as will be the plan hereafter submitted,) which, together with the capital in coin, define the boundary that shall not be exceeded by the engagements of the bank, the security may, consistently with all the maxims of a reasonable circumspection, be regarded as complete.

The same circumstances illustrate the truth of the position, that it is one of the properties of banks to increase the active capital of a country. This, in other words, is the sum of them: the money of one individual, while he is waiting for an opportunity to employ it, by being either deposited in the bank for safe keeping, or invested in its stock, is in a condition to administer to the wants of others, without being put out of his own reach when occasion presents. This yields an extra profit, arising from what is paid for the use of his money by others, when he could not himself make use of it, and keeps the money itself in a state of incessant activity. In the almost infinite vicissitudes and competitions of mercantile enterprise, there never can be danger of an intermission of demand, or that the money will remain for a moment idle in the vaults of the bank. This additional employment given to money, and the faculty of a bank to lend and circulate a greater sum than the amount of its stock in coin, are, to all the purposes of trade and industry, an absolute increase of capital. Purchases and undertakings, in general, can be carried on by any given sum of bank paper or credit, as effectually as by an equal sum of gold and silver. And thus, by contributing to enlarge the mass of industrious and commercial enterprise, banks become nurseries of national wealth—a consequence as satisfactorily verified by experience as it is clearly deducible in theory.

Secondly. Greater facility to the Government in obtaining pecuniary aids, especially in sudden emergencies. This is another, and an undisputed advantage of public banks—one which, as already remarked, has been realized in signal instances among ourselves. The reason is obvious; the capitals of a great number of individuals are, by this operation, collected to a point, and placed under one direction. The mass formed by this union, is, in a certain sense, magnified by the credit attached to it; and while this mass is always ready, and can at once be put in motion, in aid of the Government, the interest of the bank to afford that aid, independent of regard to the public safety and welfare, is a sure pledge for its disposition to go as far in its compliances as can in prudence be desired. There is, in the nature of things, as

will be more particularly noticed in another place, an intimate connexion of interest between the Government and the bank of a nation.

Thirdly. The facilitating of the payment of taxes. This advantage is produced in two ways. Those who are in a situation to have access to the bank, can have the assistance of loans, to answer, with punctuality, the public calls upon them. This accommodation has been sensibly felt in the payment of the duties heretofore laid by those who reside where establishments of this nature exist. This, however, though an extensive, is not a universal benefit. The other way in which the effect here contemplated is produced, and in which the benefit is general, is the increasing of the quantity of circulating medium; and the quickening of circulation. The manner in which the first happens has already been traced. The last may require some illustration. When payments are to be made between different places, having an intercourse of business with each other, if there happen to be no private bills at market, and there are no bank notes which have a currency in both, the consequence is, that coin must be remitted. This is attended with trouble, delay, expense, and risk. If, on the contrary, there are bank notes current in both places, the transmission of these by the post, or any other speedy or convenient conveyance, answers the purpose; and these again, in the alternations of demand, are frequently returned, very soon after, to the place from whence they were first sent: whence the transportation and re-transportation of the metals are obviated, and a more convenient and more expeditious medium of payment is substituted. Nor is this all; the metals, instead of being suspended from their usual functions during this process of vibration from place to place, continue in activity, and administer still to the ordinary circulation, which, of course, is prevented from suffering either diminution or stagnation. These circumstances are additional causes of what, in a practical sense, or to the purposes of business, may be called greater plenty of money. And it is evident, that whatever enhances the quantity of circulating money adds to the ease with which every industrious member of the community may acquire that portion of it of which he stands in need, and enables him the better to pay his taxes, as well as to supply his other wants. Even where the circulation of the bank paper is not general, it must still have the same effect, though in a less degree. For, whatever furnishes additional supplies to the channels of circulation, in one quarter, naturally contributes to keep the stream fuller elsewhere. This last view of the subject serves both to illustrate the position that banks tend to facilitate the payment of taxes, and to exemplify their utility to business of every kind in which money is an agent.

It would be to intrude too much on the patience of the House to prolong the details of the advantages of banks; especially, as all those

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which might still be particularized, are readily to be inferred as consequences from those which have been enumerated. Their disadvantages, real or supposed, are now to be reviewed. The most serious of the charges which have been brought against them, are,

That they serve to increase usury;

That they tend to prevent other kinds of lending;

That they furnish temptations to overtrading;

That they afford aid to ignorant adventurers, who disturb the natural and beneficial course of trade;

That they give to bankrupt and fraudulent traders, a fictitious credit, which enables them to maintain false appearances, and to extend their impositions; and, lastly,

That they have a tendency to banish gold and silver from the country.

There is great reason to believe, that, on a close and candid survey, it will be discovered that these charges are either destitute of foundation, or that, as far as the evils they suggest have been found to exist, they have proceeded from other, or partial, or temporary causes, are not inherent in the nature and permanent tendency of such institutions, or are more than counterbalanced by opposite advantages. This survey shall be had in the order in which the charges have been stated. The first of them, is—

That banks serve to increase usury.

It is a truth, which ought not to be denied, that the method of conducting business, which is essential to bank operations, has, among us in particular instances, given occasion to usurious transactions. The punctuality in payments, which they necessarily exact, has sometimes obliged those who have adventured beyond both their capital and their credit, to procure money at any price, and, consequently, to resort to usurers for aid.

But experience and practice gradually bring a cure for this evil. A general habit of punctuality among traders is the natural consequence of the necessity of observing it with the bank; a circumstance which itself more than compensates for any occasional ill which may have sprung from that necessity in the particular under consideration. As far, therefore, as traders depend on each other for pecuniary supplies they can calculate their expectations with greater certainty; and are in proportionably less danger of disappointments, which might compel them to have recourse to so pernicious an expedient as that of borrowing at usury; the mischiefs of which, after a few examples, naturally inspire great care in all but men of desperate circumstances, to avoid the possibility of being subjected to them. One, and not the least of these evils, incident to the use of that expedient, if the fact be known, or even strongly suspected, is loss of credit with the bank itself.

The directors of a bank, too, though in order

to extend its business and its popularity in the infancy of an institution, they may be tempted to go further in accommodation than the strict rules of prudence will warrant, grow more circumspcct of course as its affairs become better established, and as evils of too great facility are experimentally demonstrated. They become more attentive to the situation and conduct of those with whom they deal; they observe more narrowly their operations and pursuits; they economize the credit they give to those of suspicious solidity; they refuse it to those whose career is more manifestly hazardous. In a word, in the course of practice, from the very nature of things, the interest will make it the policy of a bank to succor the wary and industrious; to discredit the rash and unthrifty; to discountenance both usurious lenders and usurious borrowers.

There is a leading view in which the tendency of banks will be seen to be to abridge rather than to promote usury. This relates to their property of increasing the quantity and quickening the circulation of money. If it be evident that usury will prevail or diminish according to the proportion which the demand for borrowing bears to the quantity of money at market to be lent; whatever has the property just mentioned, whether it be in the shape of paper or coin, by contributing to render the supply more equal to the demand, must tend to counteract the progress of usury.

But bank lending, it is pretended, is an impediment to other kinds of lending; which, by confining the resource of borrowing to a particular class, leaves the rest of the community more destitute, and, therefore, more exposed to the extortions of usurers. As the profits of bank stock exceed the legal rate of interest, the possessors of money, it is urged, prefer investing it in that article to lending it at this rate; to which there are the additional motives of a more prompt command of the capital, and of more frequent and exact returns, without trouble or perplexity in the collection. This constitutes the second charge which has been enumerated.

The fact on which this charge rests is not to be admitted without several qualifications; particularly in reference to the state of things in this country.

First. The great bulk of the stock of a bank will consist of the funds of men in trade among ourselves, and moneyed foreigners; the former of whom could not spare their capitals out of their reach, to be invested on loans for long periods on mortgages or personal security; and the latter of whom would not be willing to be subjected to the casualties, delays, and embarrassments of such a disposition of their money in a distant country.

Secondly. There will always be a considerable proportion of those who are properly the money lenders of a country, who, from that spirit of caution which usually characterizes this description of men, will incline rather to vest their



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funds in mortgages on real estate than in the stock of a bank, which they are apt to consider as a more precarious security.

These considerations serve, in a material degree, to narrow the foundation of the objection as to the point of fact. But there is a more satisfactory answer to it. The effect supposed, as far as it has existence, is temporary. The reverse of it takes place in the general and permanent operation of the thing.

The capital of every public bank will, of course, be restricted within a certain defined limit. It is the province of legislative prudence so to adjust this limit that, while it will not be too contracted for the demand which the course of business may create, and for the security which the public ought to have for the solidity of the paper which may be issued by the bank, it will still be within the compass of the pecuniary resources of the community; so that there may be an easy practicability of completing the subscriptions to it. When this is once done, the supposed effect of necessity ceases. There is then no longer room for the investment of any additional capital. Stock may, indeed, change hands by one person selling and another buying, but the money which the buyer takes out of the common mass to purchase the stock the seller receives and restores to it. Hence, the future surpluses which may accumulate must take their natural course, and lending at interest must go on as if there were no such institution.

It must, indeed, flow in a more copious stream. The bank furnishes an extraordinary supply for borrowers within its immediate sphere. A larger supply consequently remains for borrowers elsewhere. In proportion as the circulation of the bank is extended, there is an augmentation of the aggregate mass of money for answering the aggregate mass of demand. Hence greater facility in obtaining it for every purpose.

It ought not to escape without a remark, that, as far as the citizens of other countries become adventurers in the bank, there is a positive increase of the gold and silver of the country. It is true that from this a half yearly rent is drawn back, accruing from the dividends upon the stock. But as this rent arises from the employment of the capital by our own citizens, it is probable that it is more than replaced by the profits of that employment. It is also likely that a part of it is, in the course of trade, converted into the products of our country; and it may even prove an incentive in some cases to emigration to a country in which the character of citizen is as easy to be acquired as it is estimable and important. This view of the subject furnishes an answer to an objection which has been deduced from the circumstance here taken notice of, namely, the income resulting to foreigners from the part of the stock owned by them, which has been represented as tending to drain the country of its specie. In this objection, the original investment of the capital, and the constant use of it afterwards, seem both to have been overlooked.

That banks furnish temptations to overtrading is the third of the enumerated objections. This must mean that, by affording additional aids to mercantile enterprise, they induce the merchant sometimes to adventure beyond the prudent or salutary point. But the very statement of the thing shows that the subject of the charge is an occasional ill incident to a general good. Credit of every kind (as a species of which only, can bank lending have the effect supposed) must be, in different degrees, chargeable with the same inconvenience. It is even applicable to gold and silver when they abound in circulation. But would it be wise, on this account, to decry the precious metals, to root out credit, or to proscribe the means of that enterprise which is the main spring of trade, and a principal source of national wealth, because it now and then runs into excesses, of which overtrading is one?

If the abuses of a beneficial thing are to determine its condemnation, there is scarcely a source of public prosperity which will not speedily be closed. In every case the evil is to be compared with the good; and in the present case such a comparison would issue in this, that the new and increased energies derived to commercial enterprise from the aid of banks are a source of general profit and advantage, which greatly outweigh the partial ills the overtrading of a few individuals at particular times, or of numbers in particular conjunctures.

The fourth and fifth charges may be considered together. These relate to the aid which is sometimes afforded by banks to unskilful adventurers and fraudulent traders. These charges, also, have some degree of foundation, though far less than has been pretended; and they add to the instances of partial ills, connected with more extensive and overbalancing benefits.

The practice of giving fictitious credit to improper persons is one of those evils which experience, guided by interest, speedily corrects. The bank itself is in so much jeopardy of being a sufferer by it, that it has the strongest of all inducements to be on its guard. It may not only be injured immediately by the delinquencies of the persons to whom such credit is given, but eventually by the incapacities of others whom their impositions or failures may have ruined.

Nor is there much danger of a bank's being betrayed into this error from want of information. The directors themselves being, for the most part, selected from the class of traders, are to be expected to possess individually an accurate knowledge of the characters and situations of those who come within that description. And they have, in addition to this, the course of dealing of the persons themselves with the bank to assist their judgment, which is, in most cases, a good index of the state in which those persons are. The artifices and shifts, which those in desperate or declining circumstances are obliged to employ to keep up the counte-

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nance which the rules of the bank require, and the train of their connexions are so many prognostics, not difficult to be interpreted, of the fate which awaits them. Hence, it not unfrequently happens that banks are the first to discover the unsoundness of such characters, and by withholding credit to announce to the public that they are not entitled to it.

If banks, in spite of every precaution, are sometimes betrayed into giving a false credit to the persons described, they more frequently enable honest and industrious men of small or, perhaps, of no capital to undertake and prosecute business with advantage to themselves and to the community; and to assist merchants of both capital and credit, who meet with fortuitous and unforeseen shocks, which might, without such helps, prove fatal to them and to others, to make head against their misfortunes, and finally to retrieve their affairs—circumstances which form no inconsiderable encomium on the utility of banks.

But the last and heaviest charge is still to be examined: that is, that banks tend to banish the gold and silver of the country.

The force of this objection rests on their being an engine of paper credit, which, by furnishing a substitute for the metals, is supposed to promote their exportation. It is an objection which, if it has any foundation, lies not against banks peculiarly, but against every species of paper credit.

The most common answer given to it is, that the thing supposed is of little or no consequence; that it is immaterial what serves the purpose of money, whether paper, or gold and silver; that the effect of both upon industry is the same; and that the intrinsic wealth of a nation is to be measured, not by the abundance of the precious metals contained in it, but by the quantity of the productions of its labor and industry.

This answer is not destitute of solidity, though not entirely satisfactory. It is certain that the vivification of industry, by a full circulation, with the aid of a proper and well regulated paper credit, may more than compensate for the loss of a part of the gold and silver of a nation, if the consequence of avoiding that loss should be a scanty or defective circulation.

But the positive and permanent increase or decrease of the precious metals in a country can hardly ever be a matter of indifference. As the commodity taken in lieu of every other, it is a species of the most effective wealth; and as the money of the world, it is of great concern to the State that it possess a sufficiency of it to face any demands which the protection of its external interests may create.

The objection seems to admit of another and a more conclusive answer, which controverts the fact itself. A nation that has no mines of its own must derive the precious metals from others; generally speaking, in exchange for the products of its labor and industry. The quantity it will possess will, therefore, in the ordinary course of things be regulated by the favor-

able or unfavorable balance of its trade; that is, by the proportion between its abilities to supply foreigners and its wants of them; between the amount of its exportations and that of its importations. Hence, the state of its agriculture and manufactures, the quantity and quality of its labor and industry must, in the main, influence and determine the increase or decrease of its gold and silver.

If this be true, the inference seems to be, that well constituted banks favor the increase of the precious metals. It has been shown that they augment, in different ways, the active capital of a country. This it is which generates employment; which animates and expands labor and industry. Every addition which is made to it, by contributing to put in motion a greater quantity of both, tends to create a greater quantity of the products of both; and by furnishing more materials for exportation, conduces to a favorable balance of trade, and, consequently, to the introduction and increase of gold and silver.

This conclusion appears to be drawn from solid premises. There are, however, objections to be made to it.

It may be said, that as bank paper affords a substitute for specie, it serves to counteract that rigorous necessity for the metals as a medium of circulation, which, in the case of a wrong balance, might restrain in some degree their exportation; and it may be added that, from the same cause, in the same case it would retard those economical and parsimonious reforms in the manner of living which the scarcity of money is calculated to produce, and which might be necessary to rectify such wrong balance.

There is, perhaps, some truth in both these observations; but they appear to be of a nature rather to form exceptions to the generality of the conclusion than to overthrow it. The state of things in which the absolute exigencies of circulation can be supposed to resist, with any effect, the urgent demands for specie which a wrong balance of trade may occasion presents an extreme case. And a situation in which a too expensive manner of living of a community, compared with its means, can stand in need of a corrective from distress or necessity, is one which, perhaps, rarely results but from extraordinary and adventitious causes; such, for example, as a national revolution, which unsettles all the established habits of the people, and inflames the appetite for extravagance, by the illusions of an ideal wealth, engendered by the continual multiplication of a depreciating currency, or some similar cause. There is good reason to believe that where the laws are wise and well executed, and the inviolability of property and contracts maintained, the economy of a people will, in the general course of things, correspond with its means.

The support of industry is, probably, in every case, of more consequence towards correcting a wrong balance of trade than any practicable

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retrenchments in the expenses of families or individuals; and the stagnation of it would be likely to have more effect in prolonging than any such savings in shortening its continuance. That stagnation is a natural consequence of an inadequate medium, which, without the aid of bank circulation, would, in the cases supposed, be severely felt.

It also deserves notice, that as the circulation is always in a compound ratio to the fund upon which it depends, and to the demand for it, and as that fund is itself affected by the exportation of the metals, there is no danger of its being overstocked, as in the case of paper issued at the pleasure of the Government, or of its preventing the consequences of any unfavorable balance from being sufficiently felt to produce the reforms alluded to, as far as circumstances may require and admit.

Nothing can be more fallible than the comparisons which have been made between different countries, to illustrate the truth of the position under consideration. The comparative quantity of gold and silver in different countries depends upon an infinite variety of facts and combinations, all of which ought to be known, in order to judge whether the existence or non-existence of paper currencies has any share in the relative proportions they contain. The mass and value of the productions of the labor and industry of each, compared with its wants; the nature of its establishments abroad; the kind of wars in which it is usually engaged; the relation it bears to the countries which are the original possessors of those metals; the privileges it enjoys in their trade; these, and a number of other circumstances, are all to be taken into the account, and render the investigation too complex to justify any reliance on the vague and general surmises which have been hitherto hazarded on the point.

In the foregoing discussion the objection has been considered as applying to the permanent expulsion and diminution of the metals. Their temporary exportation for particular purposes has not been contemplated. This, it must be confessed, is facilitated by banks, from the faculty they possess of supplying their place. But their utility is in nothing more conspicuous than in these very cases. They enable the Government to pay its foreign debts, and to answer any exigencies which the external concerns of the community may have produced. They enable the merchant to support his credit, (on which the prosperity of trade depends,) when special circumstances prevent remittances in other modes. They enable him also to prosecute enterprises which ultimately tend to an augmentation of the species of wealth in question. It is evident that gold and silver may often be employed in procuring commodities abroad, which, in a circuitous commerce, replace the original fund with considerable addition. But it is not to be inferred from this facility given to temporary exportation, that banks, which are so friendly to trade and industry, are,

in their general tendency, inimical to the increase of the precious metals.

These several views of the subject appear sufficient to impress a full conviction of the utility of banks, and to demonstrate that they are of great importance, not only in relation to the administration of the finances, but in the general system of political economy.

The judgment of many concerning them has, no doubt, been perplexed by the misinterpretation of appearances which were to be ascribed to other causes. The general devastation of personal property, occasioned by the late war, naturally produced, on the one hand, a great demand for money, and, on the other, a great deficiency of it to answer the demand. Some injudicious laws, which grew out of the public distresses, by impairing confidence, and causing a part of the inadequate sum in the country to be locked up, aggravated the evil. The dissipated habits contracted by many individuals during the war, which, after the peace, plunged them into expenses beyond their income; the number of adventurers without capital, and, in many instances, without information, who at that epoch rushed into trade, and were obliged to make any sacrifices to support a transient credit; the employment of considerable sums in speculations upon the public debt, which, from its unsettled state, was incapable of becoming itself a substitute: all these circumstances concurring, necessarily led to usurious borrowing, produced most of the inconveniences, and were the true causes of most of the appearances which, where banks were established, have been by some erroneously placed to their account—a mistake which they might easily have avoided by turning their eyes towards places where there were none, and where, nevertheless, the same evils would have been perceived to exist, even in a greater degree than where those institutions had obtained.

These evils have either ceased, or been greatly mitigated. Their more complete extinction may be looked for from that additional security to property which the Constitution of the United States happily gives; (a circumstance of prodigious moment in the scale, both of public and private prosperity,) from the attraction of foreign capital, under the auspices of that security, to be employed upon objects, and in enterprises, for which the state of this country opens a wide and inviting field; from the consistency and stability which the public debt is fast acquiring, as well in the public opinion at home and abroad, as, in fact, from the augmentation of capital which that circumstance and the quarter-yearly payment of interest will afford; and from the more copious circulation which will be likely to be created by a well constituted National Bank.

The establishment of banks in this country seems to be recommended by reasons of a peculiar nature. Previously to the Revolution, circulation was in a great measure carried on by paper emitted by the several local Govern-

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ments. In Pennsylvania alone, the quantity of it was near a million and a half of dollars. This auxiliary may be said to be now at an end. And it is generally supposed that there has been, for some time past, a deficiency of circulating medium. How far that deficiency is to be considered as real or imaginary, is not susceptible of demonstration; but there are circumstances and appearances which, in relation to the country at large, countenance the supposition of its reality.

The circumstances are, besides the fact just mentioned respecting paper emissions, the vast tracts of waste land, and the little advanced state of manufactures. The progressive settlement of the former, while it promises ample retribution, in the generation of future resources, diminishes or obstructs, in the mean time, the active wealth of the country. It not only draws off a part of the circulating money, and places it in a more passive state, but it diverts into its own channels a portion of that species of labor and industry which would otherwise be employed in furnishing materials for foreign trade, and which, by contributing to a favorable balance, would assist the introduction of specie. In the early periods of new settlements, the settlers not only furnish no surplus for exportation, but they consume a part of that which is produced by the labor of others. The same thing is a cause that manufactures do not advance, or advance slowly. And notwithstanding some hypotheses to the contrary, there are many things to induce a suspicion, that the precious metals will not abound in any country which has not mines, or variety of manufactures. They have been sometimes acquired by the sword; but the modern system of war has expelled this resource, and it is one upon which it is to be hoped the United States will never be inclined to rely.

The appearances alluded to are, greater prevalence of direct barter, in the more interior districts of the country, which, however, has been for some time past gradually lessening; and greater difficulty, generally, in the advantageous alienation of improved real estate; which, also, has of late diminished, but is still seriously felt in different parts of the Union. The difficulty of getting money, which has been a general complaint, is not added to the number; because it is the complaint of all times, and one in which imagination must ever have too great scope to permit an appeal to it.

If the supposition of such a deficiency be in any degree founded, and some aid to circulation be desirable, it remains to inquire what ought to be the nature of that aid.

The emitting of paper money by the authority of Government is wisely prohibited to the individual States, by the National Constitution; and the spirit of that prohibition ought not to be disregarded by the Government of the United States. Though paper emissions, under a general authority, might have some advantages not applicable, and be free from some disadvan-

tages which are applicable to the like emissions by the States, separately, yet they are of a nature so liable to abuse—and, it may even be affirmed, so certain of being abused, that the wisdom of the Government will be shown in never trusting itself with the use of so seducing and dangerous an expedient. In times of tranquillity, it might have no ill consequence; it might even perhaps be managed in a way to be productive of good: but, in great and trying emergencies, there is almost a moral certainty of its becoming mischievous. The stamping of paper is an operation so much easier than the laying of taxes, that a Government, in the practice of paper emissions, would rarely fail, in any such emergency, to indulge itself too far in the employment of that resource, to avoid, as much as possible, one less auspicious to present popularity. If it should not even be carried so far as to be rendered an absolute bubble, it would at least be likely to be extended to a degree which would occasion an inflated and artificial state of things, incompatible with the regular and prosperous course of political economy.

Among other material differences between a paper currency, issued by the mere authority of Government, and one issued by a bank, payable in coin, is this: That, in the first case, there is no standard to which an appeal can be made, as to the quantity which will only satisfy, or which will surcharge the circulation: in the last, that standard results from the demand. If more should be issued than is necessary, it will return upon the bank. Its emissions, as elsewhere intimated, must always be in a compound ratio to the fund and the demand: whence it is evident, that there is a limitation in the nature of the thing; while the discretion of the Government is the only measure of the extent of the emissions, by its own authority.

This consideration further illustrates the danger of emissions of that sort, and the preference which is due to bank paper.

The payment of the interest of the public debt, at thirteen different places, is a weighty reason, peculiar to our immediate situation, for desiring a bank circulation. Without a paper, in general currency, equivalent to gold and silver, a considerable proportion of the specie of the country must always be suspended from circulation, and left to accumulate, preparatory to each day of payment; and as often as one approaches, there must in several cases be an actual transportation of the metals, at both expense and risk, from their natural and proper reservoirs, to distant places. This necessity will be felt very injuriously to the trade of some of the States; and will embarrass, not a little, the operations of the treasury in those States. It will also obstruct those negotiations, between different parts of the Union, by the instrumentality of treasury bills, which have already afforded valuable accommodations to trade in general.

Assuming it, then, as a consequence, from

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what has been said, that a National Bank is a desirable institution, two inquiries emerge: Is there no such institution, already in being, which has a claim to that character, and which supersedes the propriety or necessity of another? If there be none, what are the principles upon which one ought to be established?

There are at present three banks in the United States: that of North America, established in the city of Philadelphia; that of New York, established in the city of New York; that of Massachusetts, established in the town of Boston. Of these three, the first is the only one which has at any time had a direct relation to the Government of the United States.

The Bank of North America originated in a resolution of Congress of the 26th of May, 1781, founded upon a proposition of the Superintendent of Finance, which was afterwards carried into execution by an ordinance of the 31st of December following, entitled "An ordinance to incorporate the subscribers to the Bank of North America."

The aid afforded to the United States by this institution, during the remaining period of the war, was of essential consequence; and its conduct towards them since the peace, has not weakened its title to their patronage and favor. So far, its pretensions to the character in question are respectable; but there are circumstances which militate against them, and considerations which indicate the propriety of an establishment on different principles.

The directors of this bank, on behalf of their constituents, have since accepted, and acted under, a new charter, from the State of Pennsylvania, materially variant from their original one, and which so narrows the foundation of the institution, as to render it an incompetent basis for the extensive purposes of a National Bank.

The limit assigned by the ordinance of Congress to the stock of the bank, is ten millions of dollars. The last charter of Pennsylvania confines it to two millions. Questions naturally arise, whether there be not a direct repugnancy between two charters so differently circumstanced? and whether the acceptance of the one is not to be deemed a virtual surrender of the other? But, perhaps, it is neither advisable nor necessary to attempt a solution of them.

There is nothing in the acts of Congress which imply an exclusive right in the institution to which they relate, except during the term of the war. There is, therefore, nothing, if the public good require it, which prevents the establishment of another. It may, however, be incidentally remarked, that, in the general opinion of the citizens of the United States, the Bank of North America has taken the station of a bank of Pennsylvania only. This is a strong argument for a new institution, or for a renovation of the old, to restore it to the situation in which it originally stood in the view of the United States.

But, though the ordinance of Congress contains no grant of exclusive privileges, there

may be room to allege, that the Government of the United States ought not, in point of candor and equity, to establish any rival or interfering institution, in prejudice of the one already established; especially as this has, from services rendered, well founded claims to protection and regard.

The justice of such an observation ought, within proper bounds, to be admitted. A new establishment of the sort ought not to be made without cogent and sincere reasons of public good. And, in the manner of doing it, every facility should be given to a consolidation of the old with the new, upon terms not injurious to the parties concerned. But there is no ground to maintain that, in a case in which the Government has made no condition restricting its authority, it ought voluntarily to restrict it, through regard to the interests of a particular institution, when those of the State dictate a different course; especially, too, after such circumstances have intervened, as characterise the actual situation of the Bank of North America.

The inducements to a new disposition of the thing are now to be considered. The first of them which occurs is, the, at least, ambiguous situation in which the Bank of North America has placed itself, by the acceptance of its last charter. If this has rendered it the mere bank of a particular State, liable to dissolution at the expiration of fourteen years, to which term the act of that State has restricted its duration, it would be neither fit nor expedient to accept it as an equivalent for a Bank of the United States.

The restriction of its capital, also, which, according to the same supposition, cannot be extended beyond two millions of dollars, is a conclusive reason for a different establishment. So small a capital promises neither the requisite aid to Government, nor the requisite security to the community. It may answer very well the purposes of local accommodation, but is an inadequate foundation for a circulation co-extensive with the United States, embracing the whole of their revenues, and affecting every individual into whose hands the paper may come.

And, inadequate as such a capital would be to the essential ends of a National Bank, it is liable to being rendered still more so, by that principle of the constitution of the Bank of North America, contained equally in its old and in its new charter, which leaves the increase of the actual capital at any time (now far short of the allowed extent) to the discretion of the directors or stockholders. It is naturally to be expected, that the allurements of an advanced price of stock, and of large dividends, may disincline those who are interested to an extension of capital, from which they will be apt to fear a diminution of profits. And for this circumstance, the interest and accommodation of the public (as well individually as collectively) are made more subordinate to the interest, real or imagined, of the stockholders,

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than they ought to be. It is true, that, unless the latter be consulted, there can be no bank, in the sense at least in which institutions of this kind, worthy of confidence, can be established in this country. But it does not follow that this is alone to be consulted, or that it even ought to be paramount. Public utility is more truly the object of public banks than private profit. And it is the business of Government to constitute them on such principles, that, while the latter will result in a sufficient degree to afford competent motives to engage in them, the former be not made subservient to it. To effect this, a principal object of attention ought to be to give free scope to the creation of an ample capital, and with this view, fixing the bounds which are deemed safe and convenient, to leave no discretion either to stop short of them, or to overpass them. The want of this precaution in the establishment of the Bank of North America is a further and important reason for desiring one differently constituted.

There may be room at first sight for supposition, that, as the profits of a bank will bear a proportion to the extent of its operations, and as for this reason the interest of the stockholders will not be disadvantageously affected by any necessary augmentations of capital, there is no cause to apprehend that they will be indisposed to such augmentations. But most men, in matters of this nature, prefer the certainties they enjoy, to probabilities depending on untried experiments, especially, when these promise rather that they will not be injured, than that they will be benefited.

From the influence of this principle, and a desire of enhancing its profits, the directors of a bank will be more apt to overstrain its faculties, in an attempt to face the additional demands which the course of business may create, than to set on foot new subscriptions, which may hazard a diminution of the profits, and even a temporary reduction of the price of stock.

Banks are among the best expedients for lowering the rate of interest in a country; but, to have this effect, their capitals must be completely equal to all the demands of business, and such as will tend to remove the idea, that the accommodations they afford are in any degree favors—an idea very apt to accompany the parsimonious dispensation of contracted funds. In this, as in every other case, the plenty of the commodity ought to beget a moderation of the price.

The want of a principle of rotation in the constitution of the Bank of North America is another argument for a variation of the establishment. Scarcely one of the reasons which militate against this principle in the Constitution of a country, is applicable to that of a bank; while there are strong reasons in favor of it, in relation to the one, which do not apply to the other. The knowledge to be derived from experience is the only circumstance common to both, which pleads against rotation in the directing officers of a bank.

But the objects of the Government of a nation, and those of the government of a bank, are so widely different, as greatly to weaken the force of that consideration in reference to the latter. Almost every important case of legislation requires, towards a right decision, a general and accurate acquaintance with the affairs of the State, and habits of thinking seldom acquired but from a familiarity with public concerns. The administration of a bank, on the contrary, is regulated by a few simple fixed maxims, the application of which is not difficult to any man of judgment, especially if instructed in the principles of trade. It is, in general, a constant succession of the same details.

But, though this be the case, the idea of the advantages of experience is not to be slighted. Room ought to be left for the regular transmission of official information; and, for this purpose, the head of the direction ought to be excepted from the principle of rotation. With this exception, and with the aid of the information of the subordinate officers, there can be no danger of any ill effects from want of experience or knowledge; especially as the periodical exclusion ought not to reach the whole of the directors at one time.

The argument in favor of the principle of rotation is this: that, by lessening the danger of combination among the directors, to make the institution subservient to party views, or to the accommodation, preferably, of any particular set of men, it will render the public confidence more firm, stable, and unqualified.

When it is considered that the directors of a bank are not elected by the great body of the community, in which a diversity of views will naturally prevail at different conjunctures, but by a small and select class of men, among whom it is far more easy to cultivate a steady adherence to the same persons and objects, and that those directors have it in their power so immediately to conciliate, by obliging the most influential of this class, it is easy to perceive that, without the principle of rotation, changes in that body can rarely happen, but as a concession which they may themselves think it expedient to make to public opinion.

The continual administration of an institution of this kind, by the same persons, will never fail, with or without cause, from their conduct, to excite distrust and discontent. The necessary secrecy of their transactions gives unlimited scope to imagination to infer that something is or may be wrong. And this inevitable mystery is a solid reason for inserting in the constitution of a bank the necessity of a change of men. As neither the mass of the parties interested, nor the public in general, can be permitted to be witnesses of the interior management of the directors, it is reasonable that both should have that check upon their conduct, and that security against the prevalence of a partial or pernicious system, which will be produced by the certainty of periodical changes.



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Such, too, is the delicacy of the credit of a bank, that every thing which can fortify confidence and repel suspicion, without injuring its operations, ought carefully to be sought after in its formation.

A further consideration in favor of a change is the improper rule by which the right of voting for directors is regulated in the plan upon which the Bank of North America was originally constituted, namely, a vote for each share, and the want of a rule in the last charter; unless the silence of it, on that point, may signify that every stockholder is to have an equal and a single vote; which would be a rule in a different extreme, not less erroneous. It is of importance that a rule should be established on this head, as it is one of those things which ought not to be left to discretion; and it is, consequently, of equal importance that the rule should be a proper one.

A vote for each share renders a combination between a few principal stockholders, to monopolize the power and benefits of the bank, too easy. An equal vote to each stockholder, however great or small his interest in the institution, allows not that degree of weight to large stockholders which it is reasonable they should have, and which, perhaps, their security and that of the bank require. A prudent mean is to be preferred. A conviction of this has produced a by-law of the corporation of the Bank of North America, which evidently aims at such a mean. But a reflection arises here, that a like majority with that which enacted this law may, at any moment, repeal it.

The last inducement which shall be mentioned, is the want of precautions to guard against a foreign influence insinuating itself into the direction of the bank. It seems scarcely reconcileable with a due caution, to permit that any but citizens should be eligible, as directors of a National Bank, or that non-resident foreigners should be able to influence the appointment of directors by the votes of their proxies. In the event, however, of an incorporation on the plan of the Bank of North America, it may be necessary to qualify this principle, so as to leave the right of foreigners, who now hold shares of its stock, unimpaired; but without the power of transmitting the privilege in question to foreign alliances.

It is to be considered that such a bank is not a mere matter of private property, but a political machine, of the greatest importance to the State.

There are other variations from the constitution of the Bank of North America, not of inconsiderable moment, which appear desirable, but which are not of magnitude enough to claim a preliminary discussion. These will be seen in the plan which will be submitted in the sequel.

If the objections which have been stated to the constitution of the Bank of North America are admitted to be well founded, they will, nevertheless, not derogate from the merit of

the main design, or of the services which that bank has rendered, or of the benefits which it has produced. The creation of such an institution, at the time it took place, was a measure dictated by wisdom. Its utility has been amply evinced by its fruits; American independence owes much to it. And it is very conceivable, that reasons of the moment may have rendered those features in it inexpedient, which a revision, with a permanent view, suggests as desirable.

The order of the subject leads next to an inquiry into the principles upon which a National Bank ought to be organized.

The situation of the United States naturally inspires a wish that the form of the institution could admit of a plurality of branches. But various considerations discourage from pursuing this idea. The complexity of such a plan would be apt to inspire doubts, which might deter from adventuring in it. And the practicability of a safe and orderly administration, though not to be abandoned as desperate, cannot be made so manifest in perspective, as to promise the removal of those doubts, or to justify the Government in adopting the idea as an original experiment. The most that would seem advisable, on this point, is to insert a provision which may lead to it hereafter, if experience shall more clearly demonstrate its utility, and satisfy those who may have the direction, that it may be adopted with safety. It is certain that it would have some advantages, both peculiar and important. Besides more general accommodation, it would lessen the danger of a run upon the bank.

The argument against it is, that each branch must be under a distinct, though subordinate direction, to which a considerable latitude of discretion must, of necessity, be entrusted. And, as the property of the whole institution would be liable for the engagements of each part, that and its credit would be at stake, upon the prudence of the directors of every part. The mismanagement of either branch might hazard serious disorder in the whole.

Another wish, dictated by the particular situation of the country, is, that the bank could be so constituted as to be made an immediate instrument of loans to the proprietors of land; but this wish also yields to the difficulty of accomplishing it. Land is, alone, an unfit fund for bank circulation. If the notes issued upon it were not to be payable in coin, on demand, or at a short date, this would amount to nothing more than a repetition of the paper emissions, which are now exploded by the general voice. If the notes are to be payable in coin, the land must first be converted into it by sale or mortgage. The difficulty of effecting the latter is the very thing which begets the desire of finding another resource; and the former would not be practicable on a sudden emergency, but with sacrifices which would make the cure worse than the disease. Neither is the idea of constituting the fund partly of coin and partly of

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land, free from impediments. These two species of property do not, for the most part, unite in the same hands. Will the moneyed man consent to enter into a partnership with the landholder, by which the latter will share in the profits which will be made by the money of the former? The money, it is evident, will be the agent or efficient cause of the profits—the land can only be regarded as an additional security. It is not difficult to foresee, that a union, on such terms, will not readily be formed. If the landholders are to procure the money by sale or mortgage of a part of their lands, this they can as well do when the stock consists wholly of money, as if it were to be compounded of money and land.

To procure for the landholders the assistance of loans, is the great desideratum. Supposing other difficulties surmounted, and a fund created, composed partly of coin and partly of land, yet the benefit contemplated could only then be obtained by the bank's advancing them its notes for the whole, or part, of the value of the lands they had subscribed to the stock. If this advance was small, the relief aimed at would not be given; if it was large, the quantity of notes issued would be a cause of distrust; and, if received at all, they would be likely to return speedily upon the bank for payment; which, after exhausting its coin, might be under a necessity of turning its lands into money, at any price that could be obtained for them, to the irreparable prejudice of the proprietors.

Considerations of public advantage suggest a further wish, which is—that the bank could be established upon principles, that would cause the profits of it to redound to the immediate benefit of the State. This is contemplated by many who speak of a National Bank, but the idea seems liable to insuperable objections. To attach full confidence to an institution of this nature, it appears to be an essential ingredient in its structure, that it shall be under a private not a public direction, under the guidance of individual interest, not of public policy; which would be supposed to be, and, in certain emergencies under a feeble or too sanguine administration, would really be liable to being too much influenced by public necessity. The suspicion of this would, most probably, be a canker that would continually corrode the vitals of the credit of the bank, and would be most likely to prove fatal in those situations in which the public good would require that they should be most sound and vigorous. It would, indeed, be little less than a miracle, should the credit of the bank be at the disposal of the Government, if, in a long series of time, there was not experienced a calamitous abuse of it. It is true, that it would be the real interest of the Government not to abuse it; its genuine policy to husband and cherish it with the most guarded circumspection as an inestimable treasure. But what Government ever uniformly consulted its true interests in opposition to the temptations of momentary exigencies? What nation

was ever blessed with a constant succession of upright and wise administrators?

The keen, steady, and, as it were, magnetic sense of their own interest as proprietors, in the directors of a bank, pointing invariably to its true pole—the prosperity of the institution—is the only security that can always be relied upon for a careful and prudent administration. It is, therefore, the only basis on which an enlightened, unqualified, and permanent confidence can be expected to be erected and maintained.

The precedents of the banks established in several cities of Europe, Amsterdam, Hamburg, and others, may seem to militate against this position. Without a precise knowledge of all the peculiarities of their respective constitutions it is difficult to pronounce how far this may be the case. That of Amsterdam, however, which we best know, is rather under a municipal than a governmental direction. Particular magistrates of the city, not officers of the republic, have the management of it. It is also a bank of deposits, not of loan, or circulation; consequently, less liable to abuse, as well as less useful. Its general business consists in receiving money for safe-keeping, which, if not called for within a certain time, becomes a part of its stock, and irreclaimable. But a credit is given for it on the books of the bank, which, being transferable, answers all the purposes of money.

The directors being magistrates of the city, and the stockholders in general its most influential citizens, it is evident that the principle of private interest must be prevalent in the management of the bank. And it is equally evident that, from the nature of its operations, that principle is less essential to it than to an institution constituted with a view to the accommodation of the public and individuals by direct loans and a paper circulation.

As far as may concern the aid of the bank within the proper limits, a good Government has nothing more to wish for than it will always possess, though the management be in the hands of private individuals. As the institution, if rightly constituted, must depend for its renovation, from time to time, on the pleasure of the Government, it will not be likely to feel a disposition to render itself, by its conduct, unworthy of public patronage. The Government, too, in the administration of its finances, has it in its power to reciprocate benefits to the bank of not less importance than those which the bank affords to the Government, and which, besides, are never unattended with an immediate and adequate compensation. Independent of these more particular considerations, the natural weight and influence of a good Government will always go far towards procuring a compliance with its desires; and, as the directors will usually be composed of some of the most discreet, respectable, and well informed citizens, it can hardly ever be difficult to make them sensible of the force of the inducements which ought to stimulate their exertions:

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It will not follow, from what has been said, that the State may not be the holder of a part of the stock of a bank, and consequently a sharer in the profits of it. It will only follow that it ought not to desire any participation in the direction of it, and, therefore, ought not to own the whole or a principal part of the stock; for, if the mass of the property should belong to the public, and if the direction of it should be in private hands, this would be to commit the interests of the State to persons not interested, or not enough interested in their proper management.

There is one thing, however, which the Government owes to itself and to the community, at least to all that part of it who are not stockholders; which is, to reserve to itself a right of ascertaining, as often as may be necessary, the state of the bank; excluding, however, all pretension to control. This right forms an article in the primitive constitution of the Bank of North America; and its propriety stands upon the clearest reasons. If the paper of a bank is to be permitted to insinuate itself into all the revenues and receipts of a country; if it is even to be tolerated as the substitute for gold and silver in all the transactions of business, it becomes, in either view, a national concern of the first magnitude. As such, the ordinary rules of prudence require that the Government should possess the means of ascertaining, whenever it thinks fit, that so delicate a trust is executed with fidelity and care. A right of this nature is not only desirable, as it respects the Government, but it ought to be equally so to all those concerned in the institution, as an additional title to public and private confidence, and as a thing that can only be formidable to practices that imply mismanagement. The presumption must always be that the characters who would be entrusted with the principle of this right, on behalf of the Government, will not be deficient in the discretion which it may require; at least, the admitting of this presumption cannot be deemed too great a return of confidence for that very large portion of it which the Government is required to place in the bank.

Abandoning, therefore, ideas which, however agreeable or desirable, are neither practicable nor safe, the following plan for the constitution of a National Bank is respectfully submitted to the consideration of the House:

1. The capital stock of the bank shall not exceed ten millions of dollars, divided into twenty-five thousand shares, each share being four hundred dollars; to raise which sum subscriptions shall be opened on the first Monday of April next, and shall continue open until the whole shall be subscribed. Bodies politic as well as individuals may subscribe.

2. The amount of each share shall be payable one-fourth in gold and silver coin, and three-fourths in that part of the public debt, which, according to the loan proposed by the act making provision for the debt of the United States, shall bear an accruing interest, at the

time of payment, of six per centum per annum.

3. The respective sums subscribed shall be payable in four equal parts, as well specie as debt, in succession, and at the distance of six calendar months from each other; the first payment to be made at the time of subscription. If there shall be a failure in any subsequent payment, the party failing shall lose the benefit of any dividend which may have accrued prior to the time for making such payment, and during the delay of the same.

4. The subscribers to the bank, and their successors shall be incorporated, and shall so continue until the final redemption of that part of its stock which shall consist of the public debt.

5. The capacity of the corporation to hold real and personal estate shall be limited to fifteen millions of dollars, including the amount of its capital or original stock. The lands and tenements which it shall be permitted to hold shall be only such as shall be requisite for the immediate accommodation of the institution, and such as shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted, in the usual course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

6. The totality of the debts of the company, whether by bond, bill, note, or other contract, (credits for deposits excepted) shall never exceed the amount of its capital stock. In case of excess, directors, under whose administration it shall happen, shall be liable for it in their private or separate capacities. Those who may have dissented may excuse themselves from this responsibility by immediately giving notice of the fact, and their dissent, to the President of the United States, and to the stockholders, at a general meeting to be called by the President of the bank at their request.

7. The company may sell or demise its lands and tenements, or may sell the whole, or any part of the public debt, whereof its stock shall consist; but shall trade in nothing except bills of exchange, gold and silver bullion, or in the sale of goods pledged for money lent; nor shall they take more than at the rate of six per cent. per annum upon its loans or discounts.

8. No loan shall be made by the bank for the use or on account of the Government of the United States, or of either of them to an amount exceeding fifty thousand dollars, or of any foreign Prince or State, unless previously authorized by a law of the United States.

9. The stock of the bank shall be transferable according to such rules as shall be instituted by the company in that behalf.

10. The affairs of the bank shall be under the management of twenty-five directors, one of whom shall be the President; and there shall be on the first Monday of January, in each year, a choice of directors, by a plurality of suffrages of the stockholders, to serve for a year. The directors, at their first meeting after each

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election, shall choose one of their number as President.

11. The number of votes to which each stockholder shall be entitled shall be according to the number of shares he shall hold, in the proportions following, that is to say: for one share, and not more than two shares, one vote; for every two shares above two, and not exceeding ten, one vote; for every four shares above ten, and not exceeding thirty, one vote; for every six shares above thirty, and not exceeding sixty, one vote; for every eight shares above sixty, and not exceeding one hundred, one vote; and for every ten shares above one hundred, one vote; but no person, copartnership, or body politic shall be entitled to a greater number than thirty votes. And, after the first election, no share or shares shall confer a right of suffrage which shall not have been holden three calendar months previous to the day of election. Stockholders actually resident within the United States, and none other, may vote in the elections by proxy.

12. Not more than three-fourths of the directors in office, exclusive of the President, shall be eligible for the next succeeding year. But the director who shall be President at the time of an election may always be re-elected.

13. None but a stockholder, being a citizen of the United States, shall be eligible as a director.

14. Any number of stockholders, not less than sixty, who together shall be proprietors of two hundred shares or upwards, shall have power at any time to call a general meeting of the stockholders for purposes relative to the institution, giving at least six weeks' notice, in two public gazettes of the place where the bank is kept, and specifying, in such notice, the object of the meeting.

15. In case of the death, resignation, absence from the United States, or removal, of a director by the stockholders, his place may be filled by a new choice for the remainder of the year.

16. No director shall be entitled to any emolument, unless the same shall have been allowed by the stockholders at a general meeting. The stockholders shall make such compensation to the President for his extraordinary attendance at the bank as shall appear to them reasonable.

17. Not less than seven directors shall constitute a board for the transaction of business.

18. Every cashier or treasurer, before he enters on the duties of his office, shall be required to give bond, with two or more sureties, to the satisfaction of the directors, in a sum not less than twenty thousand dollars, with condition for his good behavior.

19. Half-yearly dividends shall be made of so much of the profits of the bank as shall appear to the directors advisable. And, once in every three years, the directors shall lay before the stockholders at a general meeting, for their information, an exact and particular statement

of the debts which shall have remained unpaid after the expiration of the original credit, for a period of treble the term of that credit, and of the surplus of profit, if any, after deducting losses and dividends.

20. The bills and notes of the bank, originally made payable, or which shall have become payable on demand in gold and silver coin, shall be receivable in all payments to the United States.

21. The officer at the head of the Treasury Department of the United States shall be furnished, from time to time, as often as he may require, not exceeding once a week, with statements of the amount of the capital stock of the bank, and of the debts due to the same; of the moneys deposited therein, of the notes in circulation, and of the cash in hand; and shall have a right to inspect such general accounts in the books of the bank as shall relate to the said statements, provided that this shall not be construed to imply a right of inspecting the account of any private individual or individuals with the bank.

22. No similar institution shall be established by any future act of the United States during the continuance of the one hereby proposed to be established.

23. It shall be lawful for the directors of the bank to establish offices wheresoever they shall think fit within the United States, for the purposes of discount and deposite, only and upon the same terms, and in the same manner as shall be practised at the bank, and to commit the management of the said offices and the making of the said discounts, either to agents specially appointed by them, or to such persons as may be chosen by the stockholders residing at the place where any such office shall be, under such agreements, and subject to such regulations as they shall deem proper, not being contrary to law or to the constitution of the bank.

24. And lastly, the President of the United States shall be authorized to cause a subscription to be made to the stock of the said company, on behalf of the United States, to an amount not exceeding two millions of dollars, to be paid out of the moneys which shall be borrowed by virtue of either of the acts, the one, entitled "An act making provision for the debt of the United States;" and the other, entitled "An act making provision for the reduction of the public debt;" borrowing of the bank an equal sum, to be applied to the purposes for which the said moneys shall have been procured, reimbursable in ten years, by equal annual instalments; or at any time sooner, or in any greater proportions that the Government may think fit.

The reasons for the several provisions contained in the foregoing plan have been so far anticipated, and will, for the most part, be so readily suggested by the nature of those provisions that any comments which need further be made will be both few and concise.

The combination of a portion of the public debt, in the formation of the capital, is the prin-

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principal thing of which an explanation is requisite. The chief object of this is to enable the creation of a capital sufficiently large to be the basis of an extensive circulation, and an adequate security for it. As has been elsewhere remarked, the original plan of the Bank of North America contemplated a capital of ten millions of dollars, which is certainly not too broad a foundation for the extensive operations to which a National Bank is destined. But to collect such a sum in this country in gold and silver into one depository may, without hesitation, be pronounced impracticable. Hence the necessity of an auxiliary, which the public debt at once presents.

This part of the fund will be always ready to come in aid of the specie; it will more and more command a ready sale; and can, therefore, expeditiously be turned into coin, if an exigency of the bank should at any time require it. This quality of prompt convertibility into coin renders it an equivalent for that necessary agent of bank circulation, and distinguishes it from a fund in land, of which the sale would generally be far less compendious, and at greater disadvantage. The quarter-yearly receipts of interest will also be an actual addition to the specie fund, during the intervals between them and the half-yearly dividends of profits. The objection to combining land with specie, resulting from their not being generally in possession of the same persons, does not apply to the debt, which will always be found in considerable quantities among the moneyed and trading people.

The debt composing part of the capital, besides its collateral effect in enabling the bank to extend its operations, and consequently to enlarge its profits, will produce a direct annual revenue of six per centum from the Government, which will enter into the half-yearly dividends received by the stockholders.

When the present price of the public debt is considered, and the effect which its conversion into bank stock, incorporated with a specie fund, would, in all probability, have to accelerate its rise to the proper point, it will easily be discovered that the operation presents in its outset a very considerable advantage to those who may become subscribers; and from the influence which that rise would have on the general mass of the debt, a proportional benefit to all the public creditors, and, in the sense which has been more than once adverted to, to the community at large.

There is an important fact, which exemplifies the fitness of the public debt for a bank fund, and which may serve to remove doubts in some minds on this point: it is this, that the Bank of England, in its first erection, rested wholly on that foundation. The subscribers to a loan to Government of one million two hundred thousand pounds sterling were incorporated as a bank, of which the debt created by the loan and the interest upon it were the sole fund. The subsequent augmentations of its capital, which

now amounts to between eleven and twelve millions of pounds sterling, have been of the same nature.

The confining of the right of the bank to contract debts to the amount of its capital is an important precaution, which is not to be found in the constitution of the Bank of North America, and which, while the fund consists wholly of coin, would be a restriction attended with inconveniences, but would be free from any if the composition of it should be such as is now proposed. The restriction exists in the establishment of the Bank of England, and as a source of security is worthy of imitation. The consequence of exceeding the limit there is, that each stockholder is liable for the excess, in proportion to his interest in the bank. When it is considered that the directors owe their appointments to the choice of the stockholders, a responsibility of this kind, on the part of the latter, does not appear unreasonable; but, on the other hand, it may be deemed a hardship upon those who may have dissented from the choice. And there are many among us whom it might perhaps discourage from becoming concerned in the institution. These reasons have induced the placing of the responsibility upon the directors by whom the limit prescribed should be transgressed.

The interdiction of loans on account of the United States, or any particular State, beyond the moderate sum specified, or of any foreign Power, will serve as a barrier to Executive encroachments, and to combinations inauspicious to the safety or contrary to the policy of the Union.

The limitation of the rate of interest is dictated by the consideration that different rates prevail in different parts of the Union; and as the operations of the bank may extend through the whole, some rule seems to be necessary. There is room for a question whether the limitation ought not rather to be to five than to six per cent., as proposed. It may, with safety, be taken for granted, that the former rate would yield an ample dividend, perhaps as much as the latter, by the extension it would give to business. The natural effect of low interest is to increase trade and industry; because undertakings of every kind can be prosecuted with greater advantage. This is a truth generally admitted; but it is requisite to have analyzed the subject in all its relations to be able to form a just conception of the extent of that effect. Such an analysis cannot but satisfy an intelligent mind that the difference of one per cent. in the rate at which money may be had is often capable of making an essential change for the better in the situation of any country or place.

Every thing, therefore, which tends to lower the rate of interest is peculiarly worthy of the care of legislators. And though laws which violently sink the legal rate of interest greatly below the market level are not to be commended, because they are not calculated to answer

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their aim, yet whatever has a tendency to effect a reduction, without violence to the natural course of things, ought to be attended to and pursued. Banks are among the means most proper to accomplish this end; and the moderation of the rate at which their discounts are made is a material ingredient towards it; with which their own interest, viewed on an enlarged and permanent scale, does not appear to clash.

But, as the most obvious ideas are apt to have greater force than those which depend on complex and remote combinations, there would be danger that the persons whose funds must constitute the stock of the bank would be diffident of the sufficiency of the profits to be expected, if the rate of loans and discounts were to be placed below the point to which they have been accustomed, and might, on this account, be indisposed to embarking in the plan. There is, it is true, one reflection, which, in regard to men actively engaged in trade, ought to be a security against this danger; it is this: that the accommodations which they might derive in the way of their business, at a low rate, would more than indemnify them for any difference in the dividend, supposing even that some diminution of it were to be the consequence. But, upon the whole, the hazard of contrary reasoning among the mass of moneyed men is a powerful argument against the experiment. The institutions of the kind already existing add to the difficulty of making it. Mature reflection and a large capital may, of themselves, lead to the desired end.

The last thing which requires any explanatory remark is, the authority proposed to be given to the President to subscribe the amount of two millions of dollars on account of the public. The main design of this is to enlarge the specie fund of the bank, and to enable it to give a more early extension to its operations. Though it is proposed to borrow with one hand what is lent with the other, yet the disbursement of what is borrowed will be progressive, and bank notes may be thrown into circulation instead of the gold and silver. Besides, there is to be an annual reimbursement of a part of the sum borrowed, which will finally operate as an actual investment of so much specie. In addition to the inducements to this measure, which results from the general interest of the Government to enlarge the sphere of the utility of the bank, there is this more particular consideration, to wit: that as far as the dividend on the stock shall exceed the interest paid on the loan, there is positive profit.

The Secretary begs leave to conclude with this general observation: that if the Bank of North America shall come forward with any propositions which have for their objects the engrafting upon that institution the characteristics which shall appear to the Legislature necessary to the due extent and safety of a National Bank, there are in his judgment weighty inducements to give every reasonable facility

to the measure. Not only the pretensions of that institution, from its original relation to the Government of the United States, and from the services it has rendered, are such as to claim a disposition favorable to it, if those who are interested in it are willing, on their part, to place it on a footing satisfactory to the Government; and equal to the purposes of a bank of the United States, but its co-operation will materially accelerate the accomplishment of the great object, and the collision which might otherwise arise, might, in a variety of ways, prove equally disagreeable and injurious. The incorporation or union here contemplated may be effected in different modes, under the auspices of an act of the United States, if it shall be desired by the Bank of North America, upon terms which shall appear expedient to the Government.

All which is humbly submitted.

ALEXANDER HAMILTON,  
*Secretary of the Treasury.*

## REPORT ON THE SUBJECT OF A MINT.

The Secretary of the Treasury having attentively considered the subject referred to him by the order of the House of Representatives of the fifteenth of April last, relative to the establishment of a Mint, most respectfully submits the result of his inquiries and reflections.

A plan for an establishment of this nature involves a great variety of considerations—intricate, nice, and important. The general state of debtor and creditor; all the relations and consequences of price; the essential interests of trade and industry; the value of all property; the whole income both of the State and of individuals, are liable to be sensibly influenced, beneficially or otherwise, by the judicious or injudicious regulation of this interesting object.

It is one, likewise, not more necessary than difficult to be rightly adjusted; one which has frequently occupied the reflections and researches of politicians, without having harmonized their opinions on some of the most important of the principles which enter into its discussion. Accordingly, different systems continue to be advocated, and the systems of different nations, after much investigation, continue to differ from each other.

But if a right adjustment of the matter be truly of such nicety and difficulty, a question naturally arises, whether it may not be most advisable to leave things, in this respect, in the state in which they are? Why, might it be asked, since they have so long proceeded in a train which has caused no general sensation of inconvenience, should alterations be attempted, the precise effect of which cannot with certainty be calculated?

The answer to this question is not perplexing. The immense disorder which actually reigns in so delicate and important a concern, and the still greater disorder which is every moment possible, call loudly for a reform. The



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dollar originally contemplated in the money transactions of this country by successive diminutions of its weight and fineness has sustained a depreciation of five per cent., and yet the new dollar has a currency in all payments in place of the old, with scarcely any attention to the difference between them. The operation of this in depreciating the value of property depending upon past contracts, and (as far as inattention to the alteration in the coin may be supposed to leave prices stationary) of all other property, is apparent. Nor can it require argument to prove that a nation ought not to suffer the value of the property of its citizens to fluctuate with the fluctuations of a foreign mint, and to change with the changes in the regulations of a foreign sovereign. This, nevertheless, is the condition of one which, having no coins of its own, adopts with implicit confidence those of other countries.

The unequal values allowed in different parts of the Union to coins of the same intrinsic worth, the defective species of them which embarrass the circulation of some of the States, and the dissimilarity in their several moneys of account are inconveniences, which if not to be ascribed to the want of a national coinage, will at least be most effectually remedied by the establishment of one; a measure that will, at the same time, give additional security against impositions by counterfeit as well as by base currencies.

It was with great reason, therefore, that the attention of Congress, under the late Confederation, was repeatedly drawn to the establishment of a mint; and it is with equal reason that the subject has been resumed, now that the favorable change which has taken place in the situation of public affairs admits of its being carried into execution.

But though the difficulty of devising a proper establishment ought not to deter from undertaking so necessary a work, yet it cannot but inspire diffidence in one whose duty it is made to propose a plan for the purpose, and may perhaps be permitted to be relied upon as some excuse for any errors which may be chargeable upon it, or for any deviations from sounder principles which may have been suggested by others, or even in part acted upon by the former Government of the United States.

In order to a right judgment of what ought to be done, the following particulars require to be discussed:

1st. What ought to be the nature of the money unit of the United States?

2d. What the proportion between gold and silver, if coins of both metals are to be established?

3d. What the proportion and composition of alloy in each kind?

4th. Whether the expense of coinage shall be defrayed by the Government, or out of the material itself?

5th. What shall be the number, denominations, sizes, and devices of the coins?

6th. Whether foreign coins shall be permitted to be current or not; if the former, at what rate, and for what period?

A pre-requisite to determining with propriety what ought to be the money unit of the United States is to endeavor to form as accurate an idea as the nature of the case will admit, of what it actually is. The pound, though of various value, is the unit in the money of account of all the States. But it is not equally easy to pronounce what is to be considered as the unit in the coins. There being no formal regulation on the point, (the resolutions of Congress of the 6th of July, 1785, and 8th of August, 1786, having never yet been carried into operation) it can only be inferred from usage or practice. The manner of adjusting foreign exchanges would seem to indicate the dollar as best entitled to that character. In these, the old piaster of Spain, or old Seville piece of eight reals, of the value of four shillings and sixpence sterling, is evidently contemplated. The computed par between Great Britain and Pennsylvania will serve as an example. According to that one hundred pounds sterling is equal to one hundred and sixty-six pounds and two-thirds of a pound, Pennsylvania currency; which corresponds with the proportion between 4s. 6d. sterling and 7s. 6d. the current value of the dollar in that State, by invariable usage. And, as far as the information of the Secretary goes, the same comparison holds in the other States.

But this circumstance in favor of a dollar loses much of its weight from two considerations. That species of coin has never had any settled or standard value according to weight or fineness, but has been permitted to circulate by tale, without regard to either, very much as a mere money of convenience, while gold has had a fixed price by weight and with an eye to its fineness. This greater stability of value of the gold coins is an argument of force for regarding the money unit as having been hitherto virtually attached to gold rather than to silver.

Twenty-four grains and six-eighths of a grain of fine gold have corresponded with the nominal value of the dollar in the several States, without regard to the successive diminutions of its intrinsic worth.

But if the dollar should, notwithstanding, be supposed to have the best title to be considered as the present unit in the coins, it would remain to determine what kind of dollar ought to be understood; or, in other words, what precise quantity of fine silver.

The old piaster of Spain, which appears to have regulated our foreign exchanges, weighed 17 dwts. 12 grains, and contained 386 grains and 15 mites of fine silver. But this piece has been long since out of circulation. The dollars now in common currency are of recent date, and much inferior to that both in weight and fineness. The average weight of them, upon different trials, in large masses, has been found to be 17 dwts. 8 grains. Their fineness is

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less precisely ascertained; the results of various assays, made by different persons, under the direction of the late Superintendent of the Finances, and of the Secretary, being as various as the assays themselves. The difference between their extremes is not less than 24 grains in a dollar of the same weight and age; which is too much for any probable difference in the pieces. It is rather to be presumed that a degree of inaccuracy has been occasioned by the want of proper apparatus, and, in general, of practice. The experiment which appears to have the best pretensions to exactness would make the new dollar to contain 370 grains and 933 thousandth parts of a grain of pure silver.

According to an authority on which the Secretary places reliance, the standard of Spain, for its silver coin, in the year 1761, was 261 fine and 27 parts alloy; at which proportion, a dollar of 17 dwts. 8 grains would consist of 377 grains of fine silver and 39 grains of alloy. But there is no question that this standard has been since altered considerably for the worse; to what precise point is not as well ascertained as could be wished; but from a computation of the value of dollars in the markets both of Amsterdam and London, (a criterion which cannot materially mislead,) the new dollar appears to contain about 368 grains of fine silver, and that which immediately preceded it about 374 grains.

In this state of things there is some difficulty in defining the dollar which is to be understood as constituting the present money unit, on the supposition of its being most applicable to that species of coin. The old Seville piece of 366 grains and 15 mites fine comports best with the computations of foreign exchanges, and with the more ancient contracts respecting landed property; but far the greater number of contracts still in operation concerning that kind of property, and all those of a merely personal nature now in force must be referred to a dollar of a different kind. The actual dollar, at the time of contracting, is the only one which can be supposed to have been intended; and it has been seen that as long ago as the year 1761 there had been a material degradation of the standard. And even in regard to the more ancient contracts, no person has ever had any idea of a scruple about receiving the dollar of the day as a full equivalent for the nominal sum which the dollar originally imported.

A recurrence, therefore, to the ancient dollar would be, in the greatest number of cases, an innovation in fact, and in all an innovation in respect to opinion. The actual dollar in common circulation has evidently a much better claim to be regarded as the actual money unit.

The mean intrinsic value of the different kinds of known dollars has been intimated as affording the proper criterion. But when it is recollected that the more ancient and more valuable ones are not now to be met with at all in circulation, and that the mass of those generally current is composed of the newest and most inferior

kinds, it will be perceived that even an equation of that nature would be a considerable innovation upon the real present state of things; which it will certainly be prudent to approach, as far as may be consistent with the permanent order designed to be introduced.

An additional reason for considering the prevailing dollar as the standard of the present money unit rather than the ancient one, is, that it will not only be conformable to the true existing proportion between the two metals in this country, but will be more conformable to that which obtains in the commercial world generally.

The difference established by custom in the United States between coined gold and coined silver has been stated upon another occasion to be nearly as 1 to 15.6. This, if truly the case, would imply that gold was extremely overvalued in the United States; for the highest actual proportion in any part of Europe, very little, if at all, exceeds 1 to 15; and the average proportion throughout Europe is probably not more than about one to fourteen and four-fifths. But that statement has proceeded upon the idea of the ancient dollar. One pennyworth of gold of twenty-two carats fine, at 6s. 8d., and the old Seville piece of 366 grains and 15 mites of pure silver at 7s. 6d., furnish the exact ratio of 1 to 15.6262. But this does not coincide with the real difference between the metals in our market, or, which is with us the same thing, in our currency. To determine this, the quantity of fine silver in the general mass of the dollars now in circulation must afford the rule. Taking the rate of the late dollar of 374 grains, the proportion would be as 1 to 15.11. Taking the rate of the newest dollar, the proportion would then be as one to 14.87. The mean of the two would give the proportion of 1 to 15 very nearly; less than the legal proportion in the coins of Great Britain, which is as 1 to 15.2; but somewhat more than the actual or market proportion, which is not quite 1 to 15.

The preceding view of the subject does not indeed afford a precise or certain definition of the present unit in the coins, but it furnishes data which will serve as guides in the progress of the investigation. It ascertains, at least, that the sum in the money-account of each State, corresponding with the nominal value of the dollar in such State, corresponds also with 24 grains and six-eighths of a grain of fine gold; and with something between 368 and 374 grains of fine silver.

The next inquiry towards a right determination of what ought to be the future money unit of the United States turns on these questions: whether it ought to be peculiarly attached to either of the metals in preference to the other or not; and, if to either, to which of them?

The suggestions and proceedings hitherto have had for object the annexing of it emphatically to the silver dollar. A resolution of Congress, of the 6th of July, 1785, declares that the money unit of the United States shall be a

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dollar, and another resolution of the 8th of August, 1786, fixes that dollar at 375 grains and sixty-four-hundredths of a grain of fine silver. The same resolution, however, determines that there shall also be two gold coins, one of 246 grains and 268 parts of a grain of pure gold, equal to ten dollars, and the other of half that quantity of pure gold, equal to five dollars; and it is not explained whether either of the two species of coins, of gold or silver, shall have any greater legality in payments than the other. Yet it would seem that a preference in this particular is necessary to execute the idea of attaching the unit exclusively to one kind. If each of them be as valid as the other in payments to any amount, it is not obvious in what effectual sense either of them can be deemed the money unit rather than the other.

If the general declaration that the dollar shall be the money unit of the United States could be understood to give it a superior legality in payments, the institution of coins of gold, and the declaration that each of them shall be equal to a certain number of dollars would appear to destroy that inference: and the circumstance of making the dollar the unit in the money of account seems to be rather matter of form than of substance.

Contrary to the ideas which have heretofore prevailed in the suggestions concerning a coinage for the United States, though not without much hesitation, arising from a deference for those ideas, the Secretary is, upon the whole, strongly inclined to the opinion that a preference ought to be given to neither of the metals for the money unit. Perhaps, if either were to be preferred, it ought to be gold rather than silver.

The reasons are these:

The inducement to such a preference is to render the unit as little variable as possible; because on this depends the steady value of all contracts, and, in a certain sense, of all other property. And, it is truly observed that if the unit belong indiscriminately to both metals it is subject to all the fluctuations that happen in the relative value which they bear to each other. But the same reason would lead to annexing it to that particular one which is itself the least liable to variation, if there be in this respect any discernible difference between the two.

Gold may, perhaps, in certain cases, be said to have greater stability than silver; as being of superior value less liberties have been taken with it in the regulations of different countries. Its standard has remained more uniform, and it has, in other respects, undergone fewer changes; as being not so much an article of merchandise, owing to the use made of silver in the trade with the East Indies and China, it is less liable to be influenced by circumstances of commercial demand. And if, reasoning by analogy, it could be affirmed that there is a physical probability of greater proportional increase in the quantity of silver than in that of gold, it would

afford an additional reason for calculating on greater steadiness in the value of the latter.

As long as gold, either from its intrinsic superiority as a metal, from its greater rarity, or from the prejudices of mankind, retains so considerable a pre-eminence in value over silver as it has hitherto had, a natural consequence of this seems to be that its condition will be more stationary. The revolutions, therefore, which may take place in the comparative value of gold and silver will be changes in the state of the latter rather than in that of the former.

If there should be an appearance of too much abstraction in any of these ideas, it may be remarked that the most simple impressions do not naturally incline to giving a preference to the inferior or least valuable of the two metals.

It is sometimes observed that silver ought to be encouraged rather than gold, as being more conducive to the extension of bank circulation from the greater difficulty and inconvenience which its greater bulk, compared with its value, occasions in the transportation of it. But bank circulation is desirable rather as an auxiliary to than as a substitute for that of the precious metals, and ought to be left to its natural course. Artificial expedients to extend it by opposing obstacles to the other are, at least, not recommended by any very obvious advantages. And in general it is the safest rule to regulate every particular institution or object according to the principles which, in relation to itself, appear the most sound. In addition to this, it may be observed that the inconvenience of transporting either of the metals is sufficiently great to induce a preference of bank paper, whenever it can be made to answer the purpose equally well.

But, upon the whole, it seems to be most advisable, as has been observed, not to attach the unit exclusively to either of the metals; because this cannot be done effectually, without destroying the office and character of one of them as money, and reducing it to the situation of a mere merchandise; which, accordingly at different times, has been proposed from different and very respectable quarters; but which would probably be a greater evil than occasional variations in the unit, from the fluctuations in the relative value of the metals; especially if care be taken to regulate the proportion between them with an eye to their average commercial value.

To annul the use of either of the metals as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation.

It is not a satisfactory answer to say that none but the favored metal would, in this case, find its way into the country, as in that all balances must be paid. The practicability of this would, in some measure, depend on the abundance or scarcity of it in the country paying. Where there was but little, it either

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would not be procurable at all, or it would cost a premium to obtain it; which, in every case of a competition with others, in a branch of trade, would constitute a deduction from the profits of the party receiving. Perhaps, too, the embarrassments which such a circumstance might sometimes create, in the pecuniary liquidation of balances, might lead to additional efforts to find a substitute in commodities, and might so far impede the introduction of metals. Neither could the exclusion of either of them be deemed, in other respects, favorable to commerce. It is often in the course of trade as desirable to possess the kind of money as the kind of commodity best adapted to a foreign market.

It seems, however, most probable that the chief, if not the sole effect of such a regulation would be to diminish the utility of one of the metals. It could hardly prove an obstacle to the introduction of that which was excluded in the natural course of trade; because it would always command a ready sale for the purpose of exportation to foreign markets. But such an effect, if the only one, is not to be regarded as a trivial inconvenience.

If, then, the unit ought not to be attached exclusively to either of the metals, the proportion which ought to subsist between them in the coins becomes a preliminary inquiry, in order to its proper adjustment. This proportion appears to be, in several views, of no inconsiderable moment.

One consequence of overvaluing either metal in respect to the other is the banishment of that which is undervalued. If two countries are supposed, in one of which the proportion of gold to silver is as 1 to 16, in the other as 1 to 15, gold being worth more, silver less in one than in the other, it is manifest that in their reciprocal payments, each will select that species which it values least, to pay to the other where it is valued most. Besides this, the dealers in money will, from the same cause, often find a profitable traffic in an exchange of the metals between the two countries. And hence it would come to pass, if other things were equal, that the greatest part of the gold would be collected in one, and the greatest part of the silver in the other. The course of trade might, in some degree, counteract the tendency of the difference in the legal proportions, by the market value; but this is so far and so often influenced by the legal rates, that it does not prevent their producing the effect which is inferred. Facts, too, verify the inference; in Spain and England, where gold is rated higher than in other parts of Europe, there is a scarcity of silver; while it is found to abound in France and Holland, where it is rated higher, in proportion to gold, than in the neighboring nations. And it is continually flowing from Europe to China and the East Indies, owing to the comparative cheapness of it in the former, and dearness of it in the latter.

This consequence is deemed by some not very material; and there are even persons,

who, from a fanciful predilection to gold, are willing to invite it even by a higher price. But general utility will best be promoted by a due proportion of both metals. If gold be most convenient in large payments, silver is best adapted to the more minute and ordinary circulation.

But it is to be suspected that there is another consequence more serious than the one which has been mentioned. This is the diminution of the total quantity of specie which a country would naturally possess.

It is evident that as often as a country which overrates either of the metals receives a payment in that metal, it gets a less actual quantity than it ought to do, or than it would do, if the rate were a just one.

It is also equally evident that there will be a continual effort to make payment to it in that species to which it has annexed an exaggerated estimation, whether it is current at a less proportional value. And it would seem to be a very natural effect of these two causes, not only that the mass of the precious metals in the country in question would consist chiefly of that kind to which it had given an extraordinary value, but that it would be absolutely less than if they had been duly proportioned to each other.

A conclusion of this sort, however, is to be drawn with great caution. In such matters there are always some local and many other particular circumstances which qualify and vary the operation of general principles, even where they are just; and there are endless combinations, very difficult to be analyzed, which often render principles that have the most plausible pretensions unsound and delusive.

There ought, for instance, according to those which have been stated, to have formerly been a greater quantity of gold in proportion to silver in the United States, than there has been; because the actual value of gold in this country, compared with silver, was perhaps higher than in any other. But our situation with regard to the West India islands, into some of which there is a large influx of silver directly from the mines of South America, occasions an extraordinary supply of that metal, and consequently a greater proportion of it in our circulation than might have been expected from its relative value.

What influence the proportion under consideration may have on the state of prices, and how far this may counteract the tendency to increase or lessen the quantity of the metals are points not easy to be developed; and yet they are very necessary to an accurate judgment of the true operation of the thing.

But, however impossible it may be to pronounce with certainty that the possession of a less quantity of specie is a consequence of overvaluing either of the metals, there is enough of probability in the considerations which seem to indicate it, to form an argument of weight against such overvaluation.

A third ill consequence resulting from it is,

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a greater and more frequent disturbance between the legal and market proportions of the metals. This has not hitherto been experienced in the United States, but it has been experienced elsewhere; and from its not having been felt by us hitherto, it does not follow that this will not be the case hereafter; when our commerce shall have attained a maturity which will place it under the influence of more fixed principles.

In establishing a proportion between the metals there seems to be an option of one of two things—

To approach as nearly as can be ascertained, the mean or average proportion in what may be called the commercial world; or

To retain that which now exists in the United States. As far as these happen to coincide, they will render the course to be pursued more plain and more certain.

To ascertain the first with precision would require better materials than are possessed, or than could be obtained without an inconvenient delay.

Sir Isaac Newton, in a representation to the treasury of Great Britain, in the year 1717, after stating the particular proportions in the different countries of Europe, concludes thus:—“By the course of trade and exchange between nation and nation in all Europe, fine gold is to fine silver as 14 and four-fifths or 15 to 1.”

But however accurate and decisive this authority may be deemed, in relation to the period to which it applies, it cannot be taken, at the distance of more than seventy years, as a rule for determining the existing proportion. Alterations have since been made in the regulations of their coins by several nations; which, as well as the course of trade, have an influence upon the market values. Nevertheless, there is reason to believe that the state of the matter, as represented by Sir Isaac Newton, is not very remote from its actual state.

In Holland, the greatest money market of Europe, gold was to silver, in December, 1789, as 1 to 14.88; and in that of London it has been, for some time past, but little different, approaching, perhaps, something nearer 1 to 15.

It has been seen that the existing proportion between the two metals in this country is about as 1 to 15.

It is fortunate, in this respect, that the innovations of the Spanish mint have imperceptibly introduced a proportion so analogous as this is, to that which prevails among the principal commercial nations, as it greatly facilitates a proper regulation of the matter.

This proportion of 1 to 15 is recommended by the particular situation of our trade, as being very nearly that which obtains in the market of Great Britain, to which nation our specie is principally exported. A lower rate for either of the metals in our market than in hers might not only afford a motive the more, in certain cases, to remit in specie rather than in commodities, but it might, in some others, cause us to pay a greater quantity of it for a

given sum than we should otherwise do. If the effect should rather be to occasion a premium to be given for the metal which was underrated, this would obviate those disadvantages, but it would involve another—a customary difference between the market and legal proportions, which would amount to a species of disorder in the national coinage.

Looking forward to the payments of interest hereafter to be made to Holland, the same proportion does not appear ineligible. The present legal proportion in the coins of Holland is stated to be 1 to 14.9. That of the market varies somewhat, at different times, but seldom very widely from this point.

There can hardly be a better rule in any country for the legal than the market proportion, if this can be supposed to have been produced by the free and steady course of commercial principles. The presumption in such case is that each metal finds its true level, according to its intrinsic utility, in the general system of money operations.

But it must be admitted, that this argument in favor of continuing the existing proportion is not applicable to the state of the coins with us. There have been too many artificial and heterogeneous ingredients, too much want of order in the pecuniary transactions of this country to authorize the attributing the effects which have appeared to the regular operations of commerce. A proof of this is to be drawn from the alterations which have happened in the proportion between the metals merely by the successive degradations of the dollar, in consequence of the mutability of a foreign mint. The value of gold to silver appears to have declined wholly from this cause from 15.6 to about 15 to 1. Yet as this last proportion, however produced, coincides so nearly with what may be deemed the commercial average, it may be supposed to furnish as good a rule as can be pursued.

The only question seems to be, whether the value of gold ought not to be a little lowered to bring it to a more exact level with the two markets which have been mentioned. But as the ratio of 1 to 15 is so nearly conformable to the state of those markets, and best agrees with that of our own, it will probably be found the most eligible. If the market of Spain continues to give a higher value to gold (as it has done in time past) than that which is recommended, there may be some advantage in a middle station.

A further preliminary to the adjustment of the future money unit is, to determine what shall be the proportion and composition of alloy in each species of the coins.

The first, by the resolution of the 8th of August, 1786, before referred to, is regulated at one-twelfth, or, in other words, at one part alloy to eleven parts fine, whether gold or silver; which appears to be a convenient rule; unless there should be some collateral consideration which may dictate a departure from it. Its correspondence, in regard to both metals, is a re-

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commendation of it, because a difference could answer no purpose of pecuniary or commercial utility, and uniformity is favorable to order.

This ratio, as it regards gold, coincides with the proportion, real or professed, in the coins of Portugal, England, France, and Spain. In those of the two former it is real, in those of the two latter there is a deduction for what is called "remedy of weight and alloy," which is in the nature of an allowance to the master of the mint for errors and imperfections in the process, rendering the coin either lighter or baser than it ought to be. The same thing is known in the theory of the English mint, where one-sixth of a carat is allowed. But the difference seems to be that there it is merely an occasional indemnity within a certain limit for real and unavoidable errors and imperfections; whereas, in the practice of the mints of France and Spain, it appears to amount to a stated and regular deviation from the nominal standard. Accordingly, the real standards of France and Spain are something worse than 22 carats, or 11 parts in 12 fine.

The principal gold coins in Germany, Holland, Sweden, Denmark, Poland, and Italy are finer than those of England and Portugal, in different degrees, from 1 carat and a quarter to 1 carat and seven-eighths, which last is within one-eighth of a carat of pure gold.

There are similar diversities in the standards of the silver coins of the different countries of Europe. That of Great Britain is 223 parts fine to 18 alloy; those of the other European nations vary from that of Great Britain as widely as from about 17 of the same parts better to 75 worse.

The principal reasons assigned for the use of alloy are the saving of expense in the refining of the metals, (which in their natural state are usually mixed with a portion of the coarser kinds,) and the rendering them harder as a security against too great waste by friction or wearing. The first reason, drawn from the original composition of the metals, is strengthened at present by the practice of alloying their coins, which has obtained among so many nations. The reality of the effect to which the last reason is applicable has been denied, and experience has been appealed to, as proving that the more alloyed coins wear faster than the purer. The true state of this matter may be worthy of future investigation, though first appearances are in favor of alloy. In the mean time the saving of trouble and expense are sufficient inducements to following those examples which suppose its expediency. And the same considerations lead to taking as our models those nations with whom we have most intercourse, and whose coins are most prevalent in our circulation. These are Spain, Portugal, England, and France. The relation which the proposed proportion bears to their gold coins has been explained. In respect to their silver coins, it will not be very remote from the mean of their several standards.

The component ingredients of the alloy in each metal will also require to be regulated. In silver, copper is the only kind in use, and it is doubtless the only proper one. In gold, there is a mixture of silver and copper; in the English coins consisting of equal parts; in the coins of some other countries, varying from one-third to two-thirds silver.

The reason of this union of silver with copper is this: the silver counteracts the tendency of the copper to injure the color or beauty of the coin, by giving it too much redness, or rather a coppery hue, which a small quantity will produce; and the copper prevents the too great whiteness which silver alone would confer. It is apprehended that there are considerations which may render it prudent to establish by law that the proportion of silver to copper, in the gold coins of the United States, shall not be more than one half nor less than one-third; vesting a discretion in some proper place to regulate the matter within those limits as experience in the execution may recommend.

A third point remains to be discussed, as a pre-requisite to the determination of the money unit, which is, whether the expense of coining shall be defrayed by the public, or out of the material itself; or, as it is sometimes stated, whether the coinage shall be free, or shall be subject to a duty or imposition? This forms, perhaps, one of the nicest questions in the doctrine of money.

The practice of different nations is dissimilar in this particular. In England coinage is said to be entirely free: the mint price of the metals in bullion being the same with the value of them in coin. In France there is a duty, which has been, if it is not now, eight per cent. In Holland there is a difference between the mint price and the value of coins, which has been computed at .96, or something less than one per cent. upon gold; at 1.48, or something less than one and a half per cent. upon silver. The resolution of the 8th of August, 1786, proceeds upon the idea of a deduction of half per cent. from gold, and of two per cent. from silver, as an indemnification for the expense of coining. This is inferred from a report of the late Board of Treasury, upon which that resolution appears to have been founded.

Upon the supposition that the expense of coinage ought to be defrayed out of the metals, there are two ways in which it may be effected: one by a reduction of the quantity of fine gold and silver in the coins, the other by establishing a difference between the value of those metals in the coins and the mint price of them in bullion.

The first method appears to the Secretary inadmissible. He is unable to distinguish an operation of this sort from that of raising the denomination of the coin—a measure which has been disapproved by the wisest men of the nations in which it has been practised, and condemned by the rest of the world. To declare that a less weight of gold or silver shall pass for the same sum, which before represented a



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greater weight, or to ordain that the same weight shall pass for a greater sum are things substantially of one nature. The consequence of either of them, if the change can be realized, is to degrade the money unit; obliging creditors to receive less than their just dues, and depreciating property of every kind. For it is manifest that every thing would, in this case, be represented by a less quantity of gold and silver than before.

It is sometimes observed on this head that, though any article of property might, in fact, be represented by a less actual quantity of pure metal, it would nevertheless be represented by something of the same intrinsic value. Every fabric, it is remarked, is worth intrinsically the price of the raw material and the expense of fabrication; a truth not less applicable to a piece of coin than to a yard of cloth.

This position, well founded in itself, is here misapplied. It supposes that the coins now in circulation are to be considered as bullion, or, in other words, as raw material. But the fact is, that the adoption of them as money has caused them to become the fabric; it has invested them with the character and office of coins, and has given them a sanction and efficacy equivalent to that of the stamp of the sovereign. The prices of all our commodities, at home and abroad, and of all foreign commodities in our markets, have found their level in conformity to this principle. The foreign coins may be divested of the privilege they have hitherto been permitted to enjoy, and may of course be left to find their value in the market as a raw material. But the quantity of gold and silver in the national coins, corresponding with a given sum, cannot be made less than heretofore without disturbing the balance of intrinsic value, and making every acre of land, as well as every bushel of wheat, of less actual worth than in time past. If the United States were isolated, and cut off from all intercourse with the rest of mankind, this reasoning would not be equally conclusive. But it appears decisive, when considered with a view to the relations which commerce has created between us and other countries.

It is, however, not improbable that the effect meditated would be defeated by a rise of prices proportioned to the diminution of the intrinsic value of the coins. This might be looked for in every enlightened commercial country; but, perhaps, in none with greater certainty than in this; because in none are men less liable to be the dupes of sounds; in none has authority so little resource for substituting names for things.

A general revolution in prices, though only nominally and in appearance, could not fail to distract the ideas of the community, and would be apt to breed discontents as well among all those who live on the income of their money as among the poorer classes of the people, to whom the necessities of life would seem to have become dearer. In the confusion of such a state

of things, ideas of value would not improbably adhere to the old coins, which, from that circumstance, instead of feeling the effect of the loss of their privilege as money, would, perhaps, bear a price in the market, relatively to the new ones, in exact proportion to weight. The frequency of the demand for the metals to pay foreign balances would contribute to this effect.

Among the evils attendant on such an operation are these: creditors, both of the public and of individuals, would lose a part of their property; public and private credit would receive a wound; the effective revenues of the Government would be diminished. There is scarcely any point, in the economy of national affairs, of greater moment than the uniform preservation of the intrinsic value of the money unit. On this the security and steady value of property essentially depend.

The second method, therefore, of defraying the expense of the coinage out of the metals is greatly to be preferred to the other. This is to let the same sum of money continue to represent in the new coins exactly the same quantity of gold and silver as it does in those now current; to allow at the mint such a price only for those metals as will admit of profit just sufficient to satisfy the expense of coinage; to abolish the legal currency of the foreign coins, both in public and private payments; and, of course, to leave the superior utility of the national coins for domestic purposes to operate the difference of market value, which is necessary to induce the bringing of bullion to the mint. In this case, all property and labor will still be represented by the same quantity of gold and silver as formerly; and the only change which will be wrought will consist in annexing the office of money exclusively to the national coins; consequently, withdrawing it from those of foreign countries, and suffering them to become, as they ought to be, mere articles of merchandise.

The arguments in favor of a regulation of this kind are, first: that the want of it is a cause of extra expense; there being, then, no motive of individual interest to distinguish between the national coins and bullion, they are, it is alleged, indiscriminately melted down for domestic manufactures, and exported for the purposes of foreign trade; and it is added, that when the coins become light by wearing, the same quantity of fine gold or silver bears a higher price in bullion than in the coins; in which state of things the melting down of the coins to be sold as bullion is attended with profit; and from both causes, the expense of the mint, or, in other words, the expense of maintaining the specie capital of the nation, is materially augmented.

Secondly. That the existence of such a regulation promotes a favorable course of exchange, and benefits trade, not only by that circumstance but by obliging foreigners, in certain cases, to pay dearer for domestic commodities, and to sell their own cheaper.

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As far as relates to the tendency of a free coinage to produce an increase of expense in the different ways that have been stated, the argument must be allowed to have foundation, both in reason and experience. It describes what has been exemplified in Great Britain.

The effect of giving an artificial value to bullion is not, at first sight, obvious; but it actually happened at the period immediately preceding the late reformation in the gold coin of the country just named. A pound troy in gold bullion, of standard fineness, was then from 19*s*. 6*d*. to 25*s*. sterling dearer than an equal weight of guineas, as delivered at the mint. The phenomenon is thus accounted for: the old guineas were more than two per cent. lighter than their standard weight. This weight, therefore, in bullion was truly worth two per cent. more than those guineas. It constantly had, in respect to them, a correspondent rise in the market.

And as guineas were then current by tale, the new ones as they issued from the mint were confounded in circulation with the old ones, and by the association were depreciated below the intrinsic value in comparison with bullion. It became of course a profitable traffic to sell bullion for coin, to select the light pieces, and re-issue them in currency, and to melt down the heavy ones, and sell them again as bullion. This practice, besides other inconveniences, cost the Government large sums in the renewal of the coins.

But the remainder of the argument stands upon ground far more questionable. It depends upon very numerous and very complex combinations, in which there is infinite latitude for fallacy and error.

The most plausible part of it is that which relates to the course of exchange. Experience in France has shown that the market price of bullion has been influenced by the mint difference between that and coin; sometimes to the full extent of the difference; and it would seem to be a clear inference that, whenever that difference materially exceeded the charges of re-mitting bullion from the country where it existed to another in which coinage was free, exchange would be in favor of the former.

If, for instance, the balance of trade between France and England were at any time equal, their merchants would naturally have reciprocal payments to make to an equal amount, which, as usual, would be liquidated by means of bills of exchange. If in this situation the difference between coin and bullion should be, in the market, as at the mint of France, eight per cent.; if also the charges of transporting money from France to England should not be above two per cent.; and if exchange should be at par, it is evident that a profit of six per cent. might be made by sending bullion from France to England, and drawing bills for the amount. One hundred louis d'ors in coin would purchase the weight of one hundred and eight in bullion: one hundred of which, remitted to

England, would suffice to pay a debt of an equal amount, and two being paid for the charges of insurance and transportation, there would remain six for the benefit of the person who should manage the negotiation. But as so large a profit could not fail to produce competition, the bills, in consequence of this, would decrease in price, till the profit was reduced to the *minimum* of an adequate recompense for the trouble and risk. And, as the amount of one hundred louis d'ors in England might be afforded for ninety-six in France, with a profit of more than one and a half per cent., bills upon England might fall in France to four per cent. below par; one per cent. being a sufficient profit to the exchanger or broker for the management of the business.

But it is admitted that this advantage is lost when the balance of trade is against the nation which imposes the duty in question; because by increasing the demand for bullion, it brings this to a par with the coins; and it is to be suspected that where commercial principles have their free scope, and are well understood, the market difference between the metals in coin and bullion will seldom approximate to that of the mint, if the latter be considerable. It must be not a little difficult to keep the money of the world, which can be employed to an equal purpose in the commerce of the world, in a state of degradation in comparison with the money of a particular country.

This alone would seem sufficient to prevent it: whenever the price of coin to bullion in the market materially exceeded the par of the metals it would become an object to send the bullion abroad, if not to pay a foreign balance, to be invested in some other way in foreign countries where it bore a superior value; an operation by which immense fortunes might be amassed, if it were not that the exportation of the bullion would of itself restore the intrinsic par. But as it would naturally have this effect, the advantage supposed would contain in itself the principle of its own destruction. As long, however, as the exportation of bullion could be made with profit, which is as long as exchange could remain below par, there would be a drain of the gold and silver of the country.

If any thing can maintain for a length of time a material difference between the value of the metals in coin and in bullion, it must be a constant and considerable balance of trade in favor of the country in which it is maintained. In one situated like the United States, it would in all probability be a hopeless attempt. The frequent demand for gold and silver to pay balances to foreigners would tend powerfully to preserve the equilibrium of intrinsic value.

The prospect is that it would occasion foreign coins to circulate by common consent nearly at par with the national.

To say that, as far as the effect of lowering exchange is produced, though it is only occasional and momentary, there is a benefit there more thrown into the scale of public prosperity

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is not satisfactory. It has been seen that it may be productive of one evil, the investment of a part of the national capital in foreign countries, which can hardly be beneficial but in a situation like that of the United Netherlands, where an immense capital, and a decrease of internal demand render it necessary to find employment for money in the wants of other nations; and, perhaps, on a closer examination, other evils may be described.

One allied to that which has been mentioned is this, taking France, for the sake of more concise illustration, as the scene. Whenever it happens that French louis d'ors are sent abroad, for whatever cause, if there be a considerable difference between coin and bullion, in the market of France, it will constitute an advantageous traffic to send back these louis d'ors, and bring away bullion in lieu of them; upon all which exchanges France must sustain an actual loss of a part of its gold and silver.

Again, such a difference between coin and bullion may tend to counteract a favorable balance of trade. Whenever a foreign merchant is the carrier of his own commodities to France for sale, he has a strong inducement to bring back specie instead of French commodities; because a return in the latter may afford no profit, may even be attended with a loss; in the former it will afford a certain profit. The same principle must be supposed to operate in the general course of remittances from France to other countries. The principal question with a merchant naturally is, in what manner can I realize a given sum, with most advantage, where I wish to place it? And in cases in which other commodities are not likely to produce equal profit with bullion, it may be expected that this will be preferred; to which the greater certainty attending the operation must be an additional incitement. There can hardly be imagined a circumstance less friendly to trade than the existence of an extra inducement arising from the possibility of a profitable speculation upon the articles themselves, to export from a country its gold and silver rather than the product of its land and labor.

The other advantages supposed, of obliging foreigners to pay dearer for domestic commodities, and to sell their own cheaper, are applied to a situation which includes a favorable balance of trade. It is understood in this sense—the prices of commodities (such, at least, as are peculiar to the country) remain attached to the denominations of the coins. When a favorable balance of trade realizes in the market the mint difference between coin and bullion foreigners, who must pay in the latter, are obliged to give more of it for such commodities than they otherwise would do. Again, the bullion, which is now obtained at a cheaper rate in the home market, will procure the same quantity of goods in the foreign market as before; which is said to render foreign commodities cheaper. In this reasoning much fallacy is to be suspected. If it be true that foreigners

pay more for domestic commodities, it must be equally true that they get more for their own when they bring them themselves to market. If peculiar or other domestic commodities adhere to the denominations of the coins, no reason occurs why foreign commodities of a like character should not do the same thing; and, in this case, the foreigner, though he receive only the same value in coin for his merchandise as formerly, can convert it into a greater quantity of bullion. Whence the nation is liable to lose more of its gold and silver than if their intrinsic value in relation to the coins were preserved. And whether the gain or the loss will, on the whole, preponderate, would appear to depend on the comparative proportion of active commerce of the one country with the other.

It is evident, also, that the nation must pay as much gold and silver as before for the commodities which it procures abroad; and whether it obtains this gold and silver cheaper or not turns upon the solution of the question just intimated, respecting the relative proportion of active commerce between the two countries.

Besides these considerations, it is admitted in the reasoning that the advantages supposed, which depend on a favorable balance of trade, have a tendency to affect that balance disadvantageously. Foreigners, it is allowed, will in this case seek some other vent for their commodities, and some other market where they can supply their wants at an easier rate. A tendency of this kind, if real, will be a sufficient objection to the regulation. Nothing which contributes to change a beneficial current of trade can well compensate, by particular advantages, for so injurious an effect. It is far more easy to transfer trade from a less to a more favorable channel, than, when once transferred, to bring it back to its old one. Every source of artificial interruption to an advantageous current is, therefore, cautiously to be avoided.

It merits attention that the able minister who so lately and so long presided over the finances of France, does not attribute to the duty of coinage in that country any particular advantages in relation to exchange and trade. Though he rather appears an advocate for it, it is on the sole ground of the revenue it affords, which he represents as in the nature of a very moderate duty on the general mass of exportation.

And it is not improbable that to the singular felicity of situation of that kingdom is to be attributed its not having been sensible of the evils which seem incident to the regulation. There is, perhaps, no part of Europe which has so little need of other countries as France. Comprehending a variety of soils and climates, an immense population, its agriculture in a state of mature improvement, it possesses within its own bosom most, if not all, the productions of the earth which any of its most favored neighbors can boast. The variety, abundance, and excellence of its wines constitute a peculiar advantage in its favor. Arts and manufactures are there also in a very advanced state; some

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of them, of considerable importance, in higher perfection than elsewhere. Its contiguity to Spain; the intimate nature of its connexion with that country—a country with few fabrics of its own, consequently numerous wants, and the principal receptacle of the treasures of the New World: these circumstances concur in securing to France so uniform and so considerable a balance of trade, as in a great measure to counteract the natural tendency of any errors which may exist in the system of her mint, and to render inferences from the operation of that system there, in reference to this country, more liable to mislead than to instruct. Nor ought it to pass unnoticed, that, with all these advantages, the Government of France has found it necessary, on some occasions, to employ very violent methods to compel the bringing of bullion to the mint; a circumstance which affords a strong presumption of the inexpediency of the regulation, and of the impracticability of executing it in the United States.

This point has been the longer dwelt upon, not only because there is a diversity of opinion among speculative men concerning it, and a diversity in the practice of the most considerable commercial nations, but because the acts of our own Government, under the confederation, have not only admitted the expediency of defraying the expense of coinage out of the metals themselves, but upon this idea have both made a deduction from the weight of the coins, and established a difference between their regulated value and the mint price of bullion, greater than would result from that deduction. This double operation in favor of a principle so questionable in itself has made a more particular investigation of it a duty.

The intention, however, of the preceding remarks is rather to show that the expectation of commercial advantages ought not to decide in favor of a duty on coinage, and that, if it should be adopted, it ought not to be in the form of a deduction from the intrinsic value of the coins than absolutely to exclude the idea of any difference whatever between the value of the metals in coin and in bullion. It is not clearly discerned that a small difference between the mint price of bullion and the regulated value of the coins would be pernicious, or that it might not even be advisable, in the first instance, by way of experiment, merely as a preventive to the melting down and exportation of the coins. This will now be somewhat more particularly considered.

The arguments for a coinage entirely free are, that it preserves the intrinsic value of the metals, that it makes the expense of fabrication a general instead of partial tax; and that it tends to promote the abundance of gold and silver, which, it is alleged, will flow to that place where they find the best price, and from that place where they are in any degree undervalued.

The first consideration has not much weight, as an objection to a plan which, without diminishing the quantity of metals in the coins, merely allows a less price for them in bullion

at the national factory or mint. No rule of intrinsic value is violated by considering the raw material as worth less than the fabric in proportion to the expense of fabrication. And by divesting foreign coins of the privilege of circulating as money, they become the raw material.

The second consideration has perhaps greater weight. But it may not amount to an objection, if it be the best method of preventing disorders in the coins, which it is in a particular manner, the interest of those on whom the tax would fall to prevent. The practice of taking gold by weight, which has of late years obtained in Great Britain, has been found in some degree a remedy; but this is inconvenient, and may, on that account, fall into disuse. Another circumstance has had a remedial operation. This is the delays of the mint. It appears to be the practice there not to make payment for the bullion which is brought to be exchanged for coin, till it either has in fact, or is pretended to have undergone the process of recoining.

The necessity of fulfilling prior engagements is a cause or pretext for postponing the delivery of the coin in lieu of the bullion. And this delay creates a difference in the market price of the two things. Accordingly, for some years past, an ounce of standard gold, which is worth in coin £3 17s. 10½d. sterling, has been in the market of London, in bullion, only £3 17s. 6d., which is within a small fraction of one half per cent. less. Whether this be management in the mint, to accommodate the bank in the purchase of bullion, or to effect indirectly something equivalent to a formal difference of price, or whether it be the natural course of the business, is open to conjecture.

It at the same time indicates that if the mint were to make prompt payment at about half per cent. less than it does at present, the state of bullion in respect to coin would be precisely the same as it now is; and it would be then certain that the Government would save expense in the coinage of gold; since it is not probable that the time actually lost in the course of the year in converting bullion into coin can be an equivalent to half per cent. on the advance, and there will generally be at the command of the Treasury a considerable sum of money waiting for some periodical disbursement, which without hazard might be applied to that advance.

In what sense a free coinage can be said to promote the abundance of gold and silver may be inferred from the instances which have been given of the tendency of a contrary system to promote their exportation. It is, however, not probable that a very small difference of value between coin and bullion can have any effect which ought to enter into calculation. There can be no inducement of positive profit to export the bullion as long as the difference of price is exceeded by the expense of transportation. And the prospect of smaller loss upon the metals than upon commodities, when the difference is very minute, will be frequently over-

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balanced by the possibility of doing better with the latter from a rise of markets. It is, at any rate, certain that it can be of no consequence in this view, whether the superiority of coin to bullion in the market be produced, as in England, by the delay of the mint, or by a formal discrimination in the regulated values.

Under an impression that a small difference between the value of the coin and the mint price of bullion is the least exceptionable expedient for restraining the melting down or exportation of the former, and not perceiving that, if it be a very moderate one, it can be hurtful in other respects, the Secretary is inclined to an experiment of one half per cent. on each of the metals. The fact which has been mentioned, with regard to the price of gold bullion in the English market, seems to demonstrate that such a difference may safely be made. In this case, there must be immediate payment for the gold and silver offered to the mint. How far one half per cent. will go towards defraying the expense of the coinage cannot be determined beforehand with accuracy. It is presumed that, on an economical plan, it will suffice in relation to gold; but it is not expected that the same rate on silver will be sufficient to defray the expense attending that metal. Some additional provision may, therefore, be found necessary, if this limit be adopted.

It does not seem to be advisable to make any greater difference in regard to silver than to gold; because it is desirable that the proportion between the two metals in the market should correspond with that in the coins, which would not be the case if the mint price of one was comparatively lower than that of the other; and because, also, silver being proposed to be rated in respect to gold somewhat below its general commercial value, if there should be a disparity to its disadvantage in the mint prices of the two metals, it would obstruct too much the bringing of it to be coined, and would add an inducement to export it. Nor does it appear to the Secretary safe to make a greater difference between the value of coin and bullion than has been mentioned. It will be better to have to increase it hereafter, if this shall be found expedient, than to have to recede from too considerable a difference in consequence of evils which shall have been experienced.

It is sometimes mentioned as an expedient which, consistently with a free coinage, may serve to prevent the evils desired to be avoided, to incorporate in the coins a greater proportion of alloy than is usual; regulating their value, nevertheless, according to the quantity of pure metal they contain. This, it is supposed, by adding to the difficulty of refining them would cause bullion to be preferred, both for manufacture and exportation.

But strong objections lie against this scheme—an augmentation of expense; an actual depreciation of the coin; a danger of still greater depreciation in the public opinion; the facilitating of counterfeits; while it is questionable

whether it would have the effect expected from it.

The alloy being esteemed of no value, an increase of it is evidently an increase of expense. This, in relation to the gold coins particularly is a matter of moment. It has been noted that the alloy in them consists partly of silver. If to avoid expense the addition should be of copper only, this would spoil the appearance of the coin, and give it a base countenance. Its beauty would indeed be injured, though in a less degree, even if the usual proportions of silver and copper should be maintained in the increased quantity of alloy.

And however inconsiderable an additional expenditure of copper in the coinage of a year may be deemed, in a series of years it would become of consequence. In regulations which contemplate the lapse and operation of ages a very small item of expense acquires importance.

The actual depreciation of the coin by an increase of alloy results from the very circumstance which is the motive to it—the greater difficulty of refining. In England it is customary for those concerned in manufactures of gold to make a deduction in the price of four pence sterling per ounce of fine gold for every carat which the mass containing it is below the legal standard. Taking this as a rule, an inferiority of a single carat, or one twenty-fourth part in the gold coins of the United States, compared with the English standard, would cause the same quantity of pure gold in them to be worth nearly four-tenths per cent. less than in the coins of Great Britain. This circumstance would be likely in process of time to be felt in the market of the United States.

A still greater depreciation, in the public opinion, would be to be apprehended from the apparent debasement of the coin. The effects of imagination and prejudice cannot safely be disregarded in any thing that relates to money. If the beauty of the coin be impaired, it may be found difficult to satisfy the generality of the community, that what appears worst is not really less valuable; and it is not altogether certain that an impression of its being so may not occasion an unnatural augmentation of prices.

Greater danger of imposition by counterfeits is also to be apprehended from the injury which will be done to the appearance of the coin. It is a just observation that “the perfection of the coins is a great safeguard against counterfeits.” And it is evident that the color, as well as the excellence of the workmanship, is an ingredient in that perfection. The intermixture of too much alloy, particularly of copper, in the gold coins at least, must materially lessen the facility of distinguishing by the eye the purer from the baser kind—the genuine from the counterfeit.

The inefficacy of the arrangement to the purpose intended to be answered by it is rendered probable by different considerations. If the

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standard of plate in the United States should be regulated according to that of the national coins, it is to be expected that the goldsmith would prefer these to the foreign coins, because he would find them prepared to his hand in the state which he desires; whereas he would have to expend an additional quantity of alloy to bring the foreign coins to that state. If the standard of plate, by law and usage, should be superior to that of the national coins, there would be a possibility of the foreign coins bearing a higher price in the market; and this would not only obstruct their being brought to the mint, but might occasion the exportation of the national coin in preference. It is not understood that the practice of making an abatement of price for the inferiority of standard is applicable to the English mint, and if it be not, this would also contribute to frustrating the expected effect from the increase of alloy. For, in this case, a given quantity of pure metal, in our standard, would be worth as much there as in bullion of the English, or any other standard.

Considering, therefore, the uncertainty of the success of the expedient, and the inconveniences which seem incident to it, it would appear preferable to submit to those of a free coinage. It is observable that additional expense, which is one of the principal of these, is also applicable to the proposed remedy.

It is now proper to resume and finish the answer to the first question, in order to which the three succeeding ones have necessarily been anticipated. The conclusion to be drawn from the observations which have been made on the subject is this: that the unit in the coins of the United States ought to correspond with 24 grains and three-fourths of a grain of pure gold, and with 371 grains and one-fourth of a grain of pure silver, each answering to a dollar in the money of account. The former is exactly agreeable to the present value of gold, and the latter is within a small fraction of the mean of the two last emissions of dollars; the only ones which are now found in common circulation, and of which the newest is in the greatest abundance. The alloy in each case to be one-twelfth of the total weight, which will make the unit 27 grains of standard gold, and 405 grains of standard silver.

Each of these, it has been remarked, will answer to a dollar in the money of account. It is conceived that nothing better can be done in relation to this than to pursue the track marked out by the resolution of the 8th of August, 1786. This has been approved abroad as well as at home, and it is certain that nothing can be more simple and convenient than the decimal subdivisions. There is every reason to expect that the method will speedily grow into general use, when it shall be seconded by corresponding coins. On this plan the unit in the money of account will continue to be, as established by that resolution, a dollar, and its multiples, dimes, cents, and mills, or tenths, hundredths, and thousandths.

With regard to the number of different pieces which shall compose the coins of the U. States, two things are to be consulted—convenience of circulation, and cheapness of the coinage. The first ought not to be sacrificed to the last; but as far as they can be reconciled to each other, it is desirable to do it. Numerous and small (if not too minute) subdivisions assist calculation; but the multiplication of the smaller kinds increases expense; the same process being necessary to a small as to a large piece.

As it is easy to add it will be most advisable to begin with a small number till experience shall decide whether any other kinds are necessary. The following, it is conceived, will be sufficient in the commencement:

One gold piece, equal in weight and value to ten units or dollars:

One gold piece, equal to a tenth part of the former, and which shall be a unit or dollar.

One silver piece, which shall also be a unit or dollar.

One silver piece, which shall be, in weight and value, one tenth part of a silver unit or dollar.

One copper piece, which shall be of the value of a hundredth part of a dollar.

One other copper piece, which shall be half the value of the former.

It is not proposed that the lightest piece of the two gold coins should be numerous, as in large payments the larger the pieces the shorter the process of counting, the less risk of mistake, and, consequently, the greater the safety and the convenience; and in small payments it is not perceived that any inconvenience can accrue from an entire dependence on the silver and copper coins. The chief inducement to the establishment of the small gold piece is to have a sensible object in that metal, as well as in silver, to express the unit. Fifty thousand at a time in circulation may suffice for this purpose.

The tenth part of a dollar is but a small piece, and with the aid of the copper coins will probably suffice for all the more minute uses of circulation. It is less than the least of the silver coins now in general currency in England.

The largest copper piece will nearly answer to the halfpenny sterling, and the smallest, of course, to the farthing. Pieces of very small value are a great accommodation, and the means of a beneficial economy to the poor, by enabling them to purchase, in small portions, and at a more reasonable rate, the necessaries of which they stand in need. If there are only cents, the lowest price for any portion of a vendible commodity, however inconsiderable in quantity, will be a cent.; if there are half cents, it will be a half cent, and in a great number of cases, exactly the same things will be sold for a half cent, which, if there were none, would cost a cent. But a half cent is low enough for the *minimum* of price. Excessive minuteness would defeat its object. To enable the poorer



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classes to procure necessities cheap is to enable them, with more comfort to themselves, to labor for less; the advantages of which need no comment.

The denominations of the silver coins contained in the resolution of the 8th of August, 1786, are conceived to be significant and proper. The dollar is recommended by its correspondence with the present coin of that name for which it is designed to be a substitute, which will facilitate its ready adoption as such in the minds of the citizens. The dime or tenth, the cent or hundredth, the mill or thousandth, are proper, because they express the proportions which they are intended to designate. It is only to be regretted that the meaning of these terms will not be familiar to those who are not acquainted with the language from which they are borrowed. It were to be wished that the length, and, in some degree, the clumsiness of some of the corresponding terms in English did not discourage from preferring them. It is useful to have names which signify the things to which they belong; and in respect to objects of general use, in a manner intelligible to all. Perhaps it might be an improvement to let the dollar have the appellation either of dollar or unit, (which last will be the most significant,) and to substitute "tenth" for dime. In time the unit may succeed to the dollar. The word cent, being in use in various transactions and instruments, will, without much difficulty, be understood as the hundredth, and the half cent of course as the two hundredth part.

The eagle is not a very expressive or apt appellation for the largest gold piece, but nothing better occurs. The smallest of the two gold coins may be called the dollar or unit, in common with the silver piece with which it coincides.

The volume or size of each piece is a matter of more consequence than its denomination. It is evident that the more superficies, or surface, the more the piece will be liable to be injured by friction, or, in other words, the faster it will wear. For this reason it is desirable to render the thickness as great, in proportion to the breadth, as may consist with neatness and good appearance. Hence, the form of the double guinea, or double louis d'or, is preferable to that of the half johannes for the large gold piece. The small one cannot well be of any other size than the Portuguese piece of eight of the same metal.

As it is of consequence to fortify the idea of the identity of the dollar, it may be best to let the form and size of the new one, as far as the quantity of matter (the alloy being less) permits, agree with the form and size of the present. The diameter may be the same.

The tenths may be in a mean between the Spanish one-eighth and one-sixteenth of a dollar.

The copper coins may be formed merely with a view to good appearance, as any difference in the wearing that can result from difference of form can be of little consequence in reference to that metal.

It is conceived that the weight of the cent may be 11 dwts., which will about correspond with the value of the copper and the expense of coinage. This will be to conform to the rule of intrinsic value, as far as regard to the convenient size of the coins will permit; and the deduction of the expense of coinage in this case will be the more proper, as the copper coins which have been current hitherto have passed till lately for much more than their intrinsic value. Taking the weight, as has been suggested, the size of the cent may be nearly that of the piece herewith transmitted, which weighs 10 dwts. 11 grs. 10 m. Two-thirds of the diameter of the cent will suffice for the diameter of the half cent.

It may, perhaps, be thought expedient, according to the general practice, to make the copper coinage an object of profit, but where this is done to any considerable extent, it is hardly possible to have effectual security against counterfeits. This consideration, concurring with the soundness of the principle of preserving the intrinsic value of the money of a country seems to outweigh the consideration of profit.

The foregoing suggestions respecting the sizes of the several coins are made on the supposition that the Legislature may think fit to regulate this matter. Perhaps, however, it may be judged not unadvisable to leave it to Executive discretion.

With regard to the proposed size of a cent it is to be confessed that it is rather greater than might be wished, if it could, with propriety and safety, be made less; and should the value of copper continue to decline, as it has done for some time past, it is very questionable whether it will long remain alone a fit metal for money. This has led to a consideration of the expediency of uniting a small proportion of silver with the copper, in order to be able to lessen the bulk of the inferior coins. For this there are precedents in several parts of Europe. In France, the composition which is called billon has consisted of one part silver and four parts copper; according to which proportion, a cent might contain seventeen grains, defraying out of the material the expense of coinage. The convenience of size is a recommendation of such a species of coin, but the Secretary is deterred from proposing it by the apprehension of counterfeits. The effect of so small a quantity of silver in comparatively so large a quantity of copper could easily be imitated by a mixture of other metals of little value, and the temptation to doing it would not be inconsiderable.

The devices of the coins are far from being matters of indifference, as they may be made the vehicles of useful impressions. They ought therefore to be emblematical, but without losing sight of simplicity. The fewer sharp points and angles there are, the less will be the loss by wearing. The Secretary thinks it best, on this head, to confine himself to these concise and general remarks.

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The last point to be discussed respects the currency of foreign coins.

The abolition of this in proper season is a necessary part of the system contemplated for the national coinage. But this it will be expedient to defer till some considerable progress has been made in preparing substitutes for them. A gradation may therefore be found most convenient.

The foreign coins may be suffered to circulate precisely upon their present footing for one year after the mint shall have commenced its operations. The privilege may then be continued for another year to the gold coins of Portugal, England, and France, and to the silver coins of Spain. And these may still be permitted to be current for one year more at the rates allowed to be given for them at the mint; after the expiration of which the circulation of all foreign coins to cease.

The moneys which will be paid into the Treasury during the first year being recoined before they are issued anew will afford a partial substitute before any interruption is given to the pre-existing supplies of circulation. The revenues of the succeeding year, and the coins which will be brought to the mint in consequence of the discontinuance of their currency, will materially extend the substitute in the course of that year, and its extension will be so far increased during the third year, by the facility of procuring the remaining species to be recoined, which will arise from the diminution of their current values, as probably to enable the dispensing wholly with the circulation of foreign coins after that period. The progress which the currency of bank bills will be likely to have made during the same time will also afford a substitute of another kind.

This arrangement, besides avoiding a sudden stagnation of circulation will cause a considerable proportion of whatever loss may be incident to the establishment, in the first instance, to fall, as it ought to do, upon the Government, and will probably tend to distribute the remainder of it more equally among the community.

It may, nevertheless, be advisable, in addition to the precautions here suggested, to repose a discretionary authority in the President of the United States, to continue the currency of the Spanish dollar at a value corresponding with the quantity of fine silver contained in it, beyond the period above mentioned for the cessation of the circulation of the foreign coins. It is possible that an exception in favor of this particular species of coin may be found expedient, and it may tend to obviate inconveniences, if there be a power to make the exception, in a capacity to be exerted when the period shall arrive.

The Secretary for the Department of State, in his report to the House of Representatives on the subject of establishing a uniformity in weights, measures, and coins of the United States has proposed that the weight of the dol-

lar should correspond with the unit of weight. This was done on the supposition that it would require but a very small addition to the quantity of metal which the dollar, independently of the object he had in view, ought to contain, in which he was guided by the resolution of the 8th of August, 1786, fixing the dollar at 375 grains and 64 hundredths of a grain.

Taking this as the proper standard of the dollar, a small alteration, for the sake of incorporating so systematic an idea, would appear desirable. But if the principles which have been reasoned from in this report are just, the execution of that idea becomes more difficult. It would certainly not be advisable to make on that account so considerable a change in the money unit, as would be produced by the addition of five grains of silver to the proper weight of the dollar, without a proportional augmentation of its relative value, and to make such an augmentation would be to abandon the advantage of preserving the identity of the dollar, or, to speak more accurately, of having the proposed one received and considered as a mere substitute for the present.

The end may, however, be obtained without either of those inconveniences by increasing the proportion of alloy in the silver coins. But this would destroy the uniformity in that respect between the gold and silver coins. It remains, therefore, to elect which of the two systematic ideas shall be pursued or relinquished; and it may be remarked that it will be more easy to convert the present silver coins into the proposed ones, if these last have the same or nearly the same proportion of alloy, than if they had less.

The organization of the mint yet remains to be considered.

This relates to the persons to be employed, and to the services which they are respectively to perform. It is conceived that there ought to be:

A director of the mint, to have the general superintendence of the business.

An assay master, or assayer, to receive the metals brought to the mint, ascertain their fineness, and deliver them to be coined.

A master coiner, to conduct the making of the coins.

A cashier, to receive and pay them out.

An auditor, to keep and adjust the accounts of the mint.

Clerks, as many as the director of the mint shall deem necessary, to assist the different officers.

Workmen, as many as may be found requisite.

A porter.

In several of the European mints there are various other officers, but the foregoing are those only who appear to be indispensable. Persons in the capacity of clerks will suffice instead of the others, with the advantage of greater economy.

The number of workmen is left indefinite, because, at certain times, it is requisite to have

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more than at others. They will, however, never be numerous. The expense of the establishment in an ordinary year will probably be from fifteen to twenty thousand dollars.

The remedy for errors in the weight and alloy of the coins must necessarily form a part in the system of a mint; and the manner of applying it will require to be regulated. The following account is given of the practice in England, in this particular:

A certain number of pieces are taken promiscuously out of every fifteen pounds of gold coined at the mint, which are deposited for safe-keeping in a strong box, called the *pix*. This box, from time to time, is opened in the presence of the Lord Chancellor, the officers of the Treasury, and others, and portions are selected from the pieces of each coinage, which are melted together, and the mass assayed by a jury of the company of goldsmiths. If the imperfection and deficiency, both in fineness and weight, fall short of a sixth of a carat, or 40 grains of pure gold upon a pound of standard, the master of the mint is held excusable, because it is supposed that no workman can reasonably be answerable for greater exactness. The expediency of some similar regulation seems to be manifest.

All which is humbly submitted.

ALEXANDER HAMILTON,  
*Secretary of the Treasury.*

## GENERAL KNOX'S MILITIA PLAN.

WAR OFFICE, January 18, 1790.

SIR: Having submitted to your consideration a plan for the arrangement of the militia of the United States, which I had presented to the late Congress, and you having approved the general principles thereof, with certain exceptions, I now respectfully lay the same before you, modified according to the alterations you were pleased to suggest.

It has been my anxious desire to devise a national system of defence adequate to the probable exigencies of the United States, whether arising from internal or external causes; and at the same time to erect a standard of republican magnanimity, independent of, and superior to, the powerful influences of wealth.

The convulsive events, generated by the inordinate pursuit of riches or ambition, require that the Government should possess a strong corrective arm.

The idea is therefore submitted, whether an efficient military branch of Government can be invented, with safety to the great principles of liberty, unless the same shall be formed of the people themselves, and supported by their habits and manners.

I have the honor to be, sir,

With the most perfect respect,

Your most obedient servant,

H. KNOX,

*Secretary for the Department of War.*

## THE INTRODUCTION.

That a well constituted Republic is more favorable to the liberties of society, and that its principles give a higher elevation to the human mind than any other form of Government, has generally been acknowledged by the unprejudiced and enlightened part of mankind.

But it is at the same time acknowledged, that, unless a Republic prepares itself by proper arrangements to meet those exigencies to which all States are in a degree liable, that its peace and existence are more precarious than the forms of Government in which the will of one directs the conduct of the whole, for the defence of the nation.

A Government, whose measures must be the result of multiplied deliberations, is seldom in a situation to produce instantly those exertions which the occasion may demand; therefore it ought to possess such energetic establishments as should enable it, by the vigor of its own citizens, to control events as they arise, instead of being convulsed or subverted by them.

It is the misfortune of modern ages, that Governments have been formed by chance and events, instead of system; that, without fixed principles, they are braced or relaxed, from time to time, according to the predominating power of the rulers or the ruled: the rulers possessing separate interests from the people, excepting in some of the hightoned Monarchies, in which all opposition to the will of the Princes seems annihilated.

Hence we look round Europe in vain for an extensive Government, rising on the power inherent in the people, and performing its operations entirely for their benefit. But we find artificial force governing every where, and the people generally made subservient to the elevation and caprice of the few: almost every nation appearing to be busily employed in conducting some external war; grappling with internal commotion; or endeavoring to extricate itself from impending debts, which threaten to overwhelm it with ruin. Princes and Ministers seem neither to have leisure nor inclination to bring forward institutions for diffusing general strength, knowledge, and happiness; but they seem to understand well the Machiavelian maxim of politics—divide and govern.

May the United States avoid the errors and crimes of other Governments, and possess the wisdom to embrace the present invaluable opportunity of establishing such institutions as shall invigorate, exalt, and perpetuate, the great principles of freedom—an opportunity pregnant with the fate of millions, but rapidly borne on the wings of time, and which may never again return!

The public mind, unbiassed by superstition or prejudice, seems happily prepared to receive the impressions of wisdom. The latent springs of human action, ascertained by the standard of experience, may be regulated and made subservient to the noble purpose of forming a dignified national character.

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The causes by which nations have ascended and declined, through the various ages of the world, may be calmly and accurately determined; and the United States may be placed in the singularly fortunate condition of commencing their career of empire with the accumulated knowledge of all the known societies and Governments of the globe.

The strength of the Government, like the strength of any other vast and complicated machine, will depend on a due adjustment of its several parts: its agriculture, its commerce, its laws, its finance, its system of defence, and its manners and habits, all require consideration, and the highest exercise of political wisdom.

It is the intention of the present attempt to suggest the most efficient system of defence which may be compatible with the interest of a free people—a system which shall not only produce the expected effect, but which, in its operations, shall also produce those habits and manners which will impart strength and durability to the whole Government.

The modern practice of Europe, with respect to the employment of standing armies, has created such a mass of opinion in their favor, that even philosophers, and the advocates for liberty, have frequently confessed their use and necessity in certain cases.

But whoever seriously and candidly estimates the power of discipline, and the tendency of military habits, will be constrained to confess, that whatever may be the efficacy of a standing army in war, it cannot in peace be considered as friendly to the rights of human nature. The recent instance in France cannot with propriety be brought to overturn the general principle, built upon the uniform experience of mankind. It may be found, on examining the causes that appear to have influenced the military of France, that, while the springs of power were wound up in the nation to the highest pitch, that the discipline of the army was proportionably relaxed. But any argument on this head may be considered as unnecessary as to the enlightened citizens of the United States.

A small corps of well disciplined and well informed artillerists and engineers, and a legion for the protection of the frontiers, and the magazines and arsenals, are all the military establishment which may be required for the present use of the United States. The privates of the corps to be enlisted for a certain period, and after the expiration of which, to return to the mass of the citizens.

An energetic national militia is to be regarded as the capital security of a free Republic; and not a standing army, forming a distinct class in the community.

It is the introduction and diffusion of vice and corruption of manners into the mass of the people, that renders a standing army necessary. It is when public spirit is despised, and avarice, indolence, and effeminacy of manners predominate, and prevent the establishment of insti-

tutions which would elevate the minds of the youth in the paths of virtue and honor, that a standing army is formed and riveted forever.

While the human character remains unchanged, and societies and governments of considerable extent are formed, a principle ever ready to execute the laws and defend the State must constantly exist. Without this vital principle, the Government would be invaded or overturned, and trampled upon by the bold and ambitious. No community can be long held together, unless its arrangements are adequate to its probable exigencies.

If it should be decided to reject a standing army for the military branch of the Government of the United States, as possessing too fierce an aspect, and being hostile to the principles of liberty, it will follow that a well-constituted militia ought to be established.

A consideration of the subject will show the impracticability of disciplining at once the mass of the people. All discussions on the subject of a powerful militia will result in one or other of the following principles:

First. Either efficient institutions must be established for the military education of youth, and that the knowledge acquired therein shall be diffused throughout the community, by the mean of rotation; or,

Secondly. That the militia must be formed of substitutes, after the manner of the militia of Great Britain.

If the United States possess the vigor of mind to establish the first institution, it may reasonably be expected to produce the most unequivocal advantages. A glorious national spirit will be introduced, with its extensive train of political consequences. The youth will imbibe a love of their country; reverence and obedience to its laws; courage and elevation of mind; openness and liberality of character; accompanied by a just spirit of honor: in addition to which their bodies will acquire a robustness, greatly conducive to their personal happiness, as well as the defence of their country; while habit, with its silent but efficacious operations, will durably cement the system.

Habit, that powerful and universal law, incessantly acting on the human race, well deserves the attention of legislators—formed at first in individuals, by separate and almost imperceptible impulses, until at length it acquires a force which controls with irresistible sway. The effects of salutary or pernicious habits, operating on a whole nation, are immense, and decides its rank and character in the world.

Hence the science of legislation teaches to scrutinize every national institution, as it may introduce proper or improper habits; to adopt with religious zeal the former, and reject with horror the latter.

A republic, constructed on the principles herein stated, would be uninjured by events, sufficient to overturn a Government supported solely by the uncertain power of a standing army.

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The well-informed members of the community, actuated by the highest motives of self-love, would form the real defence of the country. Rebellions would be prevented, or suppressed with ease. Invasions of such a Government would be undertaken only by madmen; and the virtues and knowledge of the people would effectually oppose the introduction of tyranny.

But the second principle, a militia of substitutes, is pregnant, in a degree, with the mischiefs of a standing army; as it is highly probable the substitutes, from time to time, will be nearly the same men, and the most idle and worthless part of the community. Wealthy families, proud of distinctions which riches may confer, will prevent their sons from serving in the militia of substitutes; the plan will generate into habitual contempt; a standing army will be introduced, and the liberties of the people subjected to all the contingencies of events.

The expense attending an energetic establishment of militia may be strongly urged as an objection to the institution. But it is to be remembered that this objection is levelled at both systems, whether by rotation or by substitutes; for, if the numbers are equal, the expense will also be equal. The estimate of the expense will show its unimportance, when compared with the magnitude and beneficial effects of the institution.

But the people of the United States will cheerfully consent to the expenses of a measure calculated to serve as a perpetual barrier to their liberties; especially as they well know that the disbursements will be made among the members of the same community, and therefore cannot be injurious.

Every intelligent mind would rejoice in the establishment of an institution, under whose auspices the youth and vigor of the constitution would be renewed with each successive generation, and which would appear to secure the great principles of freedom and happiness against the injuries of time and events.

The following plan is formed on these general principles:

First. That it is the indispensable duty of every nation to establish all necessary institutions for its own perfection and defence.

Secondly. That it is a capital security to a free State for the great body of the people to possess a competent knowledge of the military art.

Thirdly. That this knowledge cannot be attained in the present state of society, but by establishing adequate institutions for the military education of youth; and that the knowledge acquired therein should be diffused throughout the community, by the principles of rotation.

Fourthly. That every man of the proper age and ability of body, is firmly bound by the social compact to perform, personally, his proportion of military duty for the defence of the State.

Fifthly. That all men of the legal military

age should be armed, enrolled, and held responsible for different degrees of military service. And,

Sixthly. That, agreeably to the Constitution, the United States are to provide for organizing, arming, and disciplining the militia; and for governing such part of them as may be employed in the service of the United States; reserving to the States, respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress.

**THE PLAN.**

The period of life in which military service shall be required of the citizens of the United States, to commence at eighteen, and terminate at the age of sixty years.

The men comprehended by this description, exclusive of such exceptions as the Legislatures of the respective States may think proper to make, and all actual mariners, shall be enrolled for different degrees of military duty, and divided into three distinct classes.

The first class shall comprehend the youth of eighteen, nineteen, and twenty years of age; to be denominated the advanced corps.

The second class shall include the men from twenty-one to forty-five years of age; to be denominated the main corps.

The third class shall comprehend, inclusively, the men from forty-six to sixty years of age, to be denominated the reserved corps.

All the militia of the United States shall assume the form of the legion, which shall be the permanent establishment thereof.

A legion shall consist of one hundred and fifty-three commissioned officers, and two thousand eight hundred and eighty non-commissioned officers and privates, formed in the following manner:

*First.*—THE LEGIONARY STAFF.

One Legionary, or Major General.

Two Aid-de-Camps, of the rank of Major; one of whom to be Legionary Quartermaster.

One Inspector and Deputy Adjutant General, of the rank of Lieutenant Colonel.

One Chaplain.

*Second.*—THE BRIGADE STAFF.

One Brigadier General.

One Brigade Inspector, to serve as an Aid-de-Camp.

*Third.*—THE REGIMENTAL STAFF.

One Lieutenant Colonel Commandant.

Two Majors.

One Adjutant.

One Paymaster, or Agent.

One Quartermaster.

*Fourth.*—TWO BRIGADES OF INFANTRY.

Each brigade of two regiments; each regiment of eight companies, forming two battalions; each company of a captain, lieutenant, ensign, six sergeants, one drum, one fife, and sixty-four rank and file.

*Militia Plan.***Fifth.—TWO COMPANIES OF RIFLEMEN.**

Each company to have a captain, lieutenant, ensign, six sergeants, one bugle-horn, one drum, and sixty-four rank and file.

**Sixth.—A BATTALION OF ARTILLERY.**

Consisting of four companies; each to have a captain, captain lieutenant, one lieutenant, six sergeants, twelve artificers, and fifty-two rank and file.

**Seventh.—A SQUADRON OF CAVALRY.**

Consisting of two troops; each troop to have a captain, two lieutenants, a cornet, six sergeants, one farrier, one saddler, one trumpeter, and sixty-four dragoons.

In case the whole number of the advanced corps in any State should be insufficient to form a legion of this extent, yet the component parts must be preserved, and the reduction proportioned, as nearly as may be, to each part.

The companies of all the corps shall be divided into sections of twelve each. It is proposed, by this division, to establish one uniform vital principle, which, in peace and war, shall pervade the militia of the United States.

All requisitions for men to form an army, either for State or Federal purposes, shall be furnished by the advanced and main corps, by means of the sections.

The Executive Government, or Commander-in-chief of the militia of each State, will assess the numbers required, on the respective legions of these corps.

The legionary general will direct the proportions to be furnished by each part of his command. Should the demand be so great as to require one man from each section, then the operation hereby directed shall be performed by single sections. But if a less number should be required, they will be furnished by an association of sections or companies, according to the demand. In any case, it is probable that mutual convenience may dictate an agreement with an individual to perform the service required. If, however, no agreement can be made, one must be detached by an indiscriminate draught; and the others shall pay him a sum of money, equal to the averaged sum which shall be paid in the same legion for the voluntary performance of the service required.

In case any sections, or companies of a legion, after having furnished its own quota, should have more men, willing to engage for the service required, other companies of the same legion shall have permission to engage them. The same rule to extend to the different legions in the State.

The legionary general must be responsible to the commander-in-chief of the militia of the State, that the men furnished are according to the description, and that they are equipped in the manner, and marched to the rendezvous, conformably to the orders for that purpose.

The men who may be draughted, shall not serve more than three years at one time.

The reserved corps being destined for the

domestic defence of the State, shall not be obliged to furnish men, excepting in cases of actual invasion or rebellion; and then the men required shall be furnished by means of the sections.

The actual commissioned officers of the respective corps shall not be included in the sections, nor in any of the operations thereof.

The respective States shall be divided into portions or districts; each of which to contain, as nearly as may be, some complete part of a legion.

Every citizen of the United States, who shall serve his country in the field, for the space of one year, either as an officer or soldier, shall, if under the age of twenty-one years, be exempted from the service required in the advanced corps. If he shall be above the age of twenty-one years, then every year he shall so serve in the field shall be estimated as equal to six years' service in the main or reserved corps, and shall accordingly exempt him from every service therein for the said term of six years, except in cases of actual invasion of, or rebellion within the State in which he resides. And it shall also be a permanent establishment, that six years' actual service in the field shall entirely free every citizen from any further demands of service, either in the militia, or in the field, unless in cases of invasion or rebellion.

All actual mariners or seamen, in the respective States, shall be registered in districts, and divided into two classes. The first class to consist of all the seamen from the age of sixteen to thirty years, inclusively. The second class to consist of all those of the age of thirty-one to forty-five, inclusively.

The first class shall be responsible to serve three years on board of some public armed vessel or ship of war, as a commissioned officer, warrant officer, or private mariner, for which service they shall receive the customary wages and emoluments.

But should the State not demand the said three years' service during the above period, from the age of sixteen to thirty years, then the party to be exempted entirely therefrom.

The person so serving shall receive a certificate of his service on parchment, according to the form which shall be directed, which shall exempt him from any other than voluntary service, unless in such exigencies as may require the services of all the members of the community.

The second class shall be responsible for a proportion of service, in those cases to which the first class shall be unequal. The numbers required shall be furnished by sections in the same manner as is prescribed for the sections of the militia.

**OF THE ADVANCED CORPS.**

The advanced corps are designed not only as a school in which the youth of the United States are to be instructed in the art of war, but they are, in all cases of exigence, to serve as an actual defence to the community.



*Militia Plan.*

The whole of the armed corps shall be clothed according to the manner hereafter directed, armed and subsisted at the expense of the United States; and all the youth of the said corps, in each State, shall be encamped together, if practicable, or by legions; which encampments shall be denominated the annual camps of discipline.

The youth of eighteen and nineteen years shall be disciplined for thirty days successively in each year; and those of twenty years shall be disciplined only for ten days in each year, which shall be the last ten days of the annual encampments.

The non-commissioned officers and privates are not to receive any pay during the said time. But the commissioned officers will receive the pay of their relative ranks, agreeably to the federal establishment for the time being.

In order that the plan shall effectually answer the end proposed, the first day of January shall be the fixed period for all who attain the age of eighteen years, in any part or during the course of each year, to be enrolled in the advanced corps, and to take the necessary oaths, to perform personally such legal military service as may be directed for the full and complete term of three years, to be estimated from the time of entrance into the said corps; and also to take an oath of allegiance to the State, and to the United States.

The commanding officer or general of the advanced legions of the district shall regulate the manner of the service of the youth respectively, whether it shall be in the infantry, artillery, or cavalry; but after having entered into either of them, no change should be allowed.

Each individual, at his first joining the annual camps of discipline, will receive complete arms and accoutrements, all of which, previously to his being discharged from the said camps, he must return to the regimental quartermaster, on the penalty of — dollars, or — months' imprisonment.

The said arms and accoutrements shall be marked in some conspicuous place with the letters M. U. S.; and all sales or purchases of any of the said arms or accoutrements shall be severely punished according to law.

And each individual will also, on his first entrance into the advanced corps, receive the following articles of uniform clothing, one hat, one uniform short coat, one waistcoat, and one pair of overalls; which he shall retain in his own possession, and for which he shall be held accountable, and be compelled to replace all deficiencies during his service in the annual camps of discipline.

Those who shall serve in the cavalry shall be at the expense of their own horses, and uniform helmets, and horse furniture; but they shall receive forage for their horses, swords, pistols, and clothing, equal in value to the infantry.

At the age of twenty-one years, every individual having served in the manner and for the

time prescribed, shall receive an honorary certificate thereof, on parchment, and signed by the legionary general and inspector.

The names of all persons to whom such certificates shall be given shall be fairly registered in books to be provided for that purpose.

And the said certificate, or an attested copy of the register aforesaid, shall be required as an indispensable qualification for exercising any of the rights of a free citizen, until after the age of — years.

The advanced legions, in all cases of invasion or rebellion shall, on requisition of lawful authority, be obliged to march to any place within the United States, to remain embodied for such time as shall be directed, not to exceed one year, to be computed from the time of marching from the regimental parades; during the period of their being on such service, to be placed on the continental establishment of pay, subsistence, clothing, forage, tents, camp-equipage, and all such other allowances as are made to the federal troops at the same time, and under the same circumstances.

If the military service so required should be for such a short period as to render an actual issue of clothing unnecessary, then an allowance should be made, in proportion to the annual cost of clothing for the federal soldier, according to estimates to be furnished for that purpose from the war-office of the United States.

In case the legions of the advanced corps should march to any place, in consequence of a requisition of the General Government, all legal and proper expenses of such march shall be paid by the United States. But should they be embodied, and march in consequence of an order derived from the authority of the State to which they belong, and for State purposes, then the expenses will be borne by the State.

The advanced corps shall be constituted on such principles that, when completed, it will receive one-third part, and discharge one-third part of its numbers annually. By this arrangement, two-thirds of the corps will, at all times, be considerably disciplined; but as it will only receive those of eighteen years of age, it will not be completed until the third year after its institution. Those who have already attained the ages of nineteen and twenty years will, in the first instance, be enrolled in the main corps.

But one-half of the legionary officers to be appointed the first, and the other the second year of the establishment.

The officers of each grade in the States respectively shall be divided into three classes, which shall by lot be numbered one, two, and three; and one of the said classes, according to their numbers, shall be deranged every third year. In the first period of nine years, one-third part will have to serve three, one-third part six, and one-third part nine years. But, after the said first period, the several classes will serve nine years, which shall be the limitation of service by virtue of the same appoint-

*Militia Plan.*

ment; and in such cases, where there may not be three officers of the same grade, the limitation of nine years' service shall be observed. All vacancies occasioned by the aforesaid derangements, or any casualties, shall be immediately filled by new appointments.

The captains and subalterns of the advanced corps shall not be less than twenty-one, nor more than thirty-five, and the field officers shall not exceed forty-five years of age.

Each company, battalion, and regiment shall have a fixed parade, or place at which to assemble. The companies shall assemble at their own parade, and march to the parade of the battalion, and the battalions to the regimental parade; and when thus embodied, the regiment will march to the rendezvous of the legion. Every commanding officer of a company, battalion, and regiment will be accountable to his superior officer, that his command is in the most perfect order.

The officers to receive subsistence money, in lieu of provisions, in proportion to their respective grades, and those whose duties require them to be on horseback will receive forage in the same proportion.

Every legion must have a chaplain, of respectable talents and character, who, besides his religious functions, should impress on the minds of the youth, at stated periods, in concise discourses, the eminent advantages of free Governments on the happiness of society, and that such Governments can only be supported by the knowledge, spirit, and virtuous conduct of the youth; to be illustrated by the most conspicuous examples of history.

No amusements should be admitted in camp, but those which correspond with war—the swimming of men and horses, running, wrestling, and such other exercises as shall render the body flexible and vigorous.

The camps should, if possible, be formed near a river, and remote from large cities. The first is necessary for the practice of the manœuvres, the second to avoid the vices of populous places.

The time of the annual encampments shall be divided into six parts or periods of five days each. The first of which shall be occupied in acquiring the air, attitudes, and first principles of a soldier; the second in learning the manual exercise, and to march individually and in small squads; the third and fourth, in exercising and manœuvring in detail, and by battalions and regiments. In the fifth, the youth of twenty, having been disciplined during the two preceding annual encampments, are to be included. This period is to be employed in the exercise and tactics of the legion; or, if more than one, in executing the grand manœuvres of the whole body; marching, attacking, and defending, in various forms, different grounds and positions; in fine, in representing all the real images of war, excepting the effusion of blood.

The guards, and every other circumstance of the camp, to be perfectly regulated.

Each State will determine on the season in

which its respective annual encampments shall be formed, so as best to suit the health of the men, and the general interests of the society.

The United States to make an adequate provision to supply the arms, clothing, rations, artillery, ammunition, forage, straw, tents, camp-equipage, including every requisite for the annual camps of discipline; and also for the pay and subsistence of the legionary officers, and for the following general staff:—one inspector-general, one adjutant-general, one quartermaster-general, with a deputy for each State.

These officers will be essential to the uniformity, economy, and efficacy of the system, to be appointed in the manner prescribed by the Constitution of the United States.

The quartermaster-general shall be responsible to the United States for the public property of every species, delivered to him for the annual camps of discipline; and his deputy in each State shall be responsible to him.

At the commencement of the annual camps of discipline, the deputy quartermaster will make regular issues to the legionary or regimental quartermasters, as the case may be, of all the articles of every species, provided by the United States.

The returns for the said articles, to be examined and certified by the highest legionary or regimental officer, as the case may be, who shall be responsible for the accuracy thereof.

At the expiration of the annual camps of discipline, all public property (clothing excepted) shall be returned to the deputy quartermaster of the State, who shall hold the legionary quartermaster accountable for all deficiencies. All the apparatus and property so returned shall be carefully examined, repaired, and deposited in a magazine, to be provided in each State for that purpose, under the charge of the said deputy quartermaster, until the ensuing annual encampment, or any occasion which may render a new issue necessary.

Corporal punishments shall never be inflicted in the annual camps of discipline; but a system of fines and imprisonment shall be formed for the regular government of said camps.

## OF THE MAIN CORPS.

As the main and reserved corps are to be replenished by the principle of rotation from the advanced corps, and ultimately to consist of men who have received their military education therein, it is proper that one uniform arrangement should pervade the several classes.

It is for this reason the legion is established as the common form of all the corps of the militia.

The main legions, consisting of the great majority of the men of the military age, will form the principal defence of the country.

They are to be responsible for their proportion of men, to form an army whenever necessity shall dictate the measure; and on every sudden occasion to which the advanced corps shall be incompetent, an adequate number of non-com-

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missioned officers and privates shall be added thereto from the main corps, by means of the sections.

The main corps will be perfectly armed in the first instance, and will practise the exercise and manœuvres four days in each year, and will assemble in their respective districts, by companies, battalions, regiments, or legions, as shall be directed by the legionary general; but it must be a fixed rule, that in the populous parts of the States the regiments must assemble once annually, and the legions once in three years.

Although the main corps cannot acquire a great degree of military knowledge in the few days prescribed for its annual exercise, yet by the constant accession of the youth from the advanced corps it will soon command respect for its discipline as well as its numbers.

When the youth are transferred from the advanced corps, they shall invariably join the flank companies, the cavalry, or artillery of the main corps, according to the nature of their former services.

## OF THE RESERVED CORPS.

The reserved corps will assemble only twice annually for the inspection of arms, by companies, battalions, or regiments, as shall be directed by each State. It will assemble by legions, whenever the defence of the State may render the measure necessary.

Such are the propositions of the plan: to which it may be necessary to add some explanations.

Although the substantial political maxim, which requires personal service of all the members of the community for the defence of the State, is obligatory under all forms of society, and is the main pillar of a free Government, yet the degrees thereof may vary at the different periods of life, consistently with the general welfare. The public convenience may also dictate a relaxation of the general obligation as it respects the principal magistrates and the ministers of justice and religion, and perhaps some religious sects. But it ought to be remembered that measures of national importance never should be frustrated for the accommodation of individuals.

The military age has generally commenced at sixteen, and terminated at the age of sixty years; but the youth of sixteen do not commonly attain such a degree of robust strength as to enable them to sustain without injury the hardships incident to the field; therefore the commencement of military service is herein fixed at eighteen, and the termination, as usual, at sixty years of age.

As the plan proposes the militia shall be divided into three capital classes, and that each class shall be formed into legions, the reasons for which shall be given in succession.

The advanced corps and annual camps of discipline are instituted in order to introduce an operative military spirit in the community. To establish a course of honorable military ser-

vice which will, at the same time, mould the minds of the young men to a due obedience of the laws, instruct them in the art of war, and by the manly exercises of the field form a race of hardy citizens, equal to the dignified task of defending their country.

An examination into the employments and obligations of the individuals composing the society will evince the impossibility of diffusing an adequate knowledge of the art of war by any other means than a course of discipline during the period of nonage. The time necessary to acquire this important knowledge cannot be afforded at any other period of life with so little injury to the public or private interests.

Without descending to minute distinctions, the body of the people of the United States may be divided into two parts; the yeomanry of the country, and the men of various employments, resident in towns and cities. In both parts it is usual for the male children, from the age of fourteen to twenty-one years, to learn some trade or employment under the direction of a parent or master. In general, the labor or service of the youth during this period, besides amply repaying the trouble of tuition, leaves a large profit to the tutor. This circumstance is stated to show that no great hardships will arise in the first operations of the proposed plan; a little practice will render the measure perfectly equal, and remove every difficulty.

Youth is the time for the State to avail itself of those services which it has a right to demand and by which it is to be invigorated and preserved; in this season the passions and affections are strongly influenced by the splendor of military parade. The impressions the mind receives will be retained through life. The young man will repair with pride and pleasure to the field of exercise; while the head of a family, anxious for its general welfare, and perhaps its immediate subsistence, will reluctantly quit his domestic duties for any length of time.

The habits of industry will be rather strengthened than relaxed by the establishment of the annual camps of discipline, as all the time will be occupied by the various military duties. Idleness and dissipation will be regarded as disgraceful, and punished accordingly. As soon as the youth attain the age of manhood, a natural solicitude to establish themselves in society will occur in its full force. The public claims for military service will be too inconsiderable to injure their industry. It will be sufficiently stimulated to proper exertions by the prospects of opulence attending on the cultivation of a fertile soil, or the pursuits of a productive commerce.

It is presumed that thirty days annually during the eighteenth and nineteenth, and ten days during the twentieth year, is the least time that ought to be appropriated by the youth to the acquisition of the military art. The same number of days might be added during the twentieth as during the two preceding years, were not the expense an objection.

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Every means will be provided by the public to facilitate the military education of the youth, which it is proposed shall be an indispensable qualification of a free citizen, therefore they will not be entitled to any pay. But the officers being of the main corps are in a different predicament; they are supposed to have passed through the course of discipline required by the laws, and to be competent to instruct others in the military art. As the public will have but small claims for personal services on them, and as they must incur considerable expenses to prepare themselves to execute properly their respective offices, they ought to be paid while on actual duty.

As soon as the service of the youth expires in the advanced corps they are to be enrolled in the main corps. On this occasion the republic receives disciplined and free citizens, who understand their public rights, and are prepared to defend them.

The main corps is instituted to preserve and circulate throughout the community the military discipline acquired in the advanced corps; to arm the people, and fix firmly, by practice and habit, those forms and maxims which are essential to the life and energy of a free Government.

The reserved corps is instituted to prevent men being sent to the field whose strength is unequal to sustain the severities of an active campaign. But by organizing and rendering them eligible for domestic service, a greater proportion of the younger and robust part of the community may be enabled, in cases of necessity, to encounter the more urgent duties of war.

It would be difficult, previously to the actual formation of the annual camps of discipline to ascertain the number in each State of which it would be composed. The frontier counties of several States are thinly inhabited, and require all their internal force for their immediate defence. There are other infant settlements from which it might be injurious to draw away their youth annually for the purpose of discipline.

No evil will result if the establishment of the advanced corps should be omitted in such districts for a few years. Besides, the forbearance in this respect would lessen the expense, and render the institution more compatible with the public finances.

The several State Legislatures, therefore, as best understanding their local interests, might be invested with a discretionary power to omit the enrolments for the advanced corps in such of their frontier and thinly inhabited counties as they may judge proper.

If the number of three millions may be assumed as the total number of the inhabitants of the United States, half a million may be deducted therefrom for blacks; and pursuant to the foregoing ideas, another half million may be deducted on account of the thinly settled parts of the country.

The proportion of men of the military age, from eighteen to sixty years inclusively, of two

millions of people of all ages and sexes, may be estimated at 400,000. There may be deducted from this number as actual mariners, about 50,000, and a further number of 25,000, to include exempts of religious sects, and of every other sort which the respective States may think proper to make.

Three hundred and twenty-five thousand, therefore, may be assumed as the number of operative, fencible men, to compose the militia. The proportion of the several classes of which would be nearly as follows:

Firstly, The advanced corps, one-tenth composed of the youth of the ages of eighteen, nineteen, and twenty years,	32,500
Secondly, The main corps, six-tenths and one-twentieth,	211,250
Thirdly, The reserved corps, two-tenths and one-twentieth,	81,250
Total,	325,000

The following estimate is formed for the purpose of exhibiting the annual expense of the institution of the advanced corps, stating the same at 30,000 men.

Estimate of the expense of the annual camps of discipline, as proposed in the foregoing plan, arising on each of the first three years, and after that period of the annual expense of the institution.

*The First Year.*

10,000 suits of uniform clothing, stated at eight dollars; each suit of which shall serve for three years' discipline	\$80,000
10,000 rations per day for thirty days, each ration stated at ten cents	30,000
The expense of four complete corps of legionary officers of all descriptions, for thirty days, including pay, subsistence, and forage,	27,870
Forage for the cavalry,	4,800
Straw, camp-kettles, bowls, axes, canteens, and fuel,	20,000
Annual proportion of the expense of tents for officers and soldiers, which may serve for eight annual encampments,	3,000
Four legionary standards,	2,000
Regimental colors,	1,000
Consumption of powder and ball, shot and shells, damage to arms and accoutrements, and artillery, and transportation of the same, stated at,	25,000
Hospital department,	5,000
Contingencies of the quartermaster's and other departments,	15,000
General staff, adjutant general, quartermaster general, inspector general, and their deputies,	12,000

Entire expense of the first year, 225,670

Militia Plan.

<i>Additional expenses on the second year.</i>	
10,000 rations per day, for thirty days, are 300,000 rations, at ten cents, . . . . .	\$30,000
The expense of four complete corps of legionary officers of all descriptions, for thirty days, including pay, subsistence, and forage, . . . . .	27,870
Four legionary standards, . . . . .	2,000
Regimental colors, . . . . .	1,000
Forage for the cavalry, . . . . .	4,800
Tents, straw, camp-kettles, bowls, axes, canteens, and fuel, . . . . .	20,000
Hospital department, . . . . .	5,000
Contingencies in the quartermaster's and other departments; . . . . .	15,000
Ammunition, damage to arms and accoutrements, . . . . .	15,000
	<hr/> 120,670

Combined expenses of the first and second year, . . . . . 346,340

<i>Additional expenses on the third year.</i>	
The expense of 10,000 rations for ten days, is 100,000 rations, at ten cents, . . . . .	10,000
Forage, . . . . .	1,600
For the camp equipage, . . . . .	10,000
Tents, . . . . .	1,500
Hospital stores, . . . . .	1,000
Ammunition, damage to arms and accoutrements, . . . . .	10,000
Contingencies in the quartermaster's and other departments, . . . . .	10,000
	<hr/> 44,100

The total expense of the first three years, \$390,440

It is to be observed that the officers for four legions will be adequate to command the youth of eighteen, who commence their discipline the first year, and that the same number of officers will be required for the second year. The youth of the third year may be incorporated by sections in the existing corps, so that no additional officers will be required on their account.

Hence it appears that the expense of 10,000 men, for one year, amounts to . . . . .	\$225,670
20,000 for the second year, to . . . . .	346,340
30,000 for the third year, to . . . . .	390,440

If the youth of the three ages of eighteen, nineteen, and twenty, be disciplined at once, the last mentioned sum will be about the fixed annual expense of the camps of discipline, from which, however, is to be deducted \$6,000, being the expense of the standards and colors, the former of which will be of a durable nature, and the latter will not require to be replaced oftener than once in twenty years, . . . . . 6,000

The annual expense of the advanced corps, . . . . . \$384,440

Thus, for a sum less than four hundred thousand dollars annually, which, apportioned on three millions of people, would be little more than one-eighth of a dollar each, an energetic republican militia may be durably established, the invaluable principles of liberty secured and perpetuated, and a dignified national fabric erected on the solid foundation of public virtue.

The main and reserved corps must be perfectly organized in the first instance; but the advanced corps will not be completed until the third year of its institution.

The combination of troops of various descriptions into one body, so as to invest it with the highest and greatest number of powers in every possible situation, has long been a subject of discussion, and difference of opinion; but no other form appears so well to have sustained the criterion of time and severe examination as the Roman legion. This formidable organization, accommodated to the purposes of modern war, still retains its original energy and superiority. Of the ancients, Polybius and Vegetius have described and given the highest encomiums of the legion. The former, particularly in his comparative view of the advantages and disadvantages of the Macedonian and Roman arms, and their respective orders of battles, has left to mankind an instructive and important legacy. Of the moderns, the illustrious mareschal Saxe has modelled the legion for the use of fire-arms, and strenuously urges its adoption in preference to any other form. And the respectable and intelligent veteran, late inspector general of the armies of the United States, recommends the adoption of the legion.\*

"Upon a review," says he, "of all the military of Europe, there does not appear to be a single form which could be safely adopted by the United States. They are unexceptionably different from each other; and like all other human institutions, seem to have started as much out of accident as design. The local situation of the country, the spirit of the Government, the character of the nation, and in many instances the character of the prince, have all had their influence in settling the foundation and discipline of their respective troops, and render it impossible that we should take either as a model. The legion, alone, has not been adopted by any; and yet I am confident in asserting, that whether it be examined as applicable to all countries, or as it may immediately apply to the existing or probable necessity of this, it will be found strikingly superior to any other.

"1st. Being a complete and little army of itself, it is ready to begin its operations on the shortest notice, or slightest alarm. 2d. Having all the component parts of the largest army of any possible description, it is prepared to meet

\* Vide letter addressed to the inhabitants of the United States on the subject of an established militia.

*Militia Plan.*

every species of war that may present itself; and, 3d, as in every case of detachment the first constitutional principle will be preserved, and the embarrassments of draughting and detail, which in armies differently framed too often distract the commanding officer, will be avoided.

"It may easily suggest itself from this sketch, that in forming a legion the most difficult task is to determine the necessary proportion of each species of soldiers which is to compose it. This must obviously depend upon what will be the theatre, and what the style of the war. On the plains of Poland, whole brigades of cavalry would be necessary against every enemy; but in the forest, and among the hills of America, a single regiment would be more than sufficient against any; and as there are but two kinds of war to which we are much exposed, viz: an attack from the sea-side by a European power, aided by our sworn enemies, settled on our extreme left, and an invasion of our back settlements by an Indian enemy, it follows, of course, that musketeers and light infantry should make the greatest part of your army."

The institution of the section is intended to interest the patriotism and pride of every individual in the militia; to support the legal measures of a free government; to render every man active in the public cause, by introducing the spirit of emulation, and a degree of personal responsibility.

The common mode of recruiting is attended with too great destruction of morals to be tolerated, and is too uncertain to the principal resource of a wise nation in time of danger. The public faith is frequently wounded by unworthy individuals, who hold out delusive promises, which can never be realised. By such means, an unprincipled banditti are often collected for the purpose of defending every thing that should be dear to freemen. The consequences are natural; such men either desert in time of danger, or are ever ready, on the slightest disgust, to turn their arms against their country.

By the establishment of the sections, an ample and permanent source is opened, whence the State, in every exigence, may be supplied with men whose all depends upon the prosperity of their country.

In cases of necessity, an army may be formed of citizens, whose previous knowledge of discipline will enable it to proceed to an immediate accomplishment of the designs of the State, instead of exhausting the public resources, by wasting whole years in preparing to face the enemy.

The previous arrangements, necessary to form and maintain the annual encampments, as well as the discipline acquired therein, will be an excellent preparation for war. The artillery and its numerous appendages, arms and accoutrements of every kind, and all species of ammunition, ought to be manufactured within the United States. It is of high importance

that the present period should be embraced to establish adequate institutions to produce the necessary apparatus of war.

It is unworthy the dignity of a rising and free empire to depend on foreign and fortuitous supplies of the essential means of defence.

The clothing for the troops could, with ease, be manufactured in the United States; and the establishment, in that respect, would tend to the encouragement of important manufactories.

The disbursements made in each State for the rations, forage; and other necessary articles for the annual camps of discipline, would most beneficially circulate the money arising from the public revenue.

The local circumstances of the United States, their numerous seaports, and the protection of their commerce, require a naval arrangement. Hence the necessity of the proposed plan, embracing the idea of the States obtaining men on republican principles, for the marine as well as the land service. But one may be accomplished with much greater facility than the other, as the preparation of a soldier for the field requires a degree of discipline which cannot be learned without much time and labor, whereas the common course of sea service on board of merchant vessels differs but little from the service required on board of armed ships; therefore the education for war, in this respect, will be obtained without any expense to the State. All that seems to be requisite on the head of marine service is, that an efficient regulation should be established in the respective States, to register all actual seamen, and to render those of a certain age amenable to the public for personal service, if demanded within a given period.

The constitutions of the respective States, and of the United States, having directed a mode in which the officers of the militia shall be appointed, no alteration can be made therein. Although it may be supposed that some modes of appointment are better calculated than others to inspire the highest propriety of conduct, yet there are none so defective to serve as a sufficient reason for rejecting an efficient system for the militia. It is certain that the choice of officers is the point on which the reputation and importance of a corps must depend. Therefore, every person who may be concerned in the appointment, should consider himself as responsible to his country for a proper choice.

The wisdom of the States will be manifested by inducing those citizens of whom the late American army was composed, to accept of appointments in the militia. The high degree of military knowledge which they possess was acquired at too great a price, and is too precious to be buried in oblivion; it ought to be cherished, and rendered permanently beneficial to the community.

The vigor and importance of the proposed plan will entirely depend on the laws relative thereto. Unless the laws shall be equal to the object, and rigidly enforced, no energetic national militia can be established.



*Report on Post-Office Department.*

If wealth be admitted as a principle of exemption the plan cannot be executed. It is the wisdom of political establishments to make the wealth of individuals subservient to the general good, and not to suffer it to corrupt or attain undue indulgence.

It is conceded, that people, solicitous to be exonerated from their proportion of public duty, may exclaim against the proposed arrangement as an intolerable hardship; but it ought to be strongly impressed, that while society has its charms, it also has its indispensable obligations; that to attempt such a degree of refinement, as to exonerate the members of the community from all personal service, is to render them incapable of the exercise and unworthy of the characters of freemen.

Every State possesses, not only the right of personal service from its members, but the right to regulate the service on principles of equality for the general defence. All being bound, none can complain of injustice on being obliged to perform his equal proportion. Therefore, it ought to be a permanent rule, that those who in youth decline, or refuse to subject themselves to the course of military education, established by the laws, should be considered as unworthy of public trust, or public honors, and be excluded therefrom accordingly.

If the majesty of the laws should be preserved inviolate in this respect, the operations of the proposed plan would foster a glorious public spirit, infuse the principles of energy and stability into the body politic, and give a high degree of political splendor to the national character.

#### POSTMASTER GENERAL'S REPORT.

The Secretary of the Treasury, agreeably to notice given in his report on the 14th current, laid before the House the following:

GENERAL POST OFFICE, }  
NEW YORK, Jan. 20, 1795. }

SIR: In obedience to the orders of the Supreme Executive, I have the honor of laying before you such remarks and observations as have occurred to me in attending to the Department of the Post-Office. Many of these observations will be found to be of a general nature, and founded in opinion: for there are not documents in the office on which to found estimates that would afford satisfaction.

The existing ordinance for regulating the Post-Office, though very defective in many things, has not probably ever been put fully in execution; yet the smallness of the revenue arising under the same may have been the effect of various causes, some of which could not, and others might have been remedied, but not so fully as they may under the present government.

As to the revenue of the Post-Office, it may be observed, first, that there may be so few letters written, that, under the best regulations,

it would not amount to any thing considerable; and the dispersed manner of settling the country may operate powerfully against the productiveness of the Post-Office.

2d. The franking of letters may have been extended too far.

3d. Ship letters may not have been properly attended to.

4th. The rate of postage may have been too high in some instances, and too low in others.

5th. Stage drivers and private post-riders may have been the carriers of many letters which ought to have gone in the mail.

6th. The Postmasters may have consulted their own interest in preference to that of the public.

Remedies may be applied to all these cases except the first.

With respect to that article, I have no documents on which to found an opinion that may be relied on.

The amount of revenue will undoubtedly be considerable if the Department is well regulated. If we should form an opinion from a comparative view of the wealth, numbers, and revenue, of the post-offices of other countries, it would be, that the Post-Office of the United States ought to bring in annually nearly half a million of dollars, under similar regulations; whereas the gross receipts, in any one year, have not exceeded thirty-five thousand dollars, and for the two last years have been at about twenty-five thousand dollars a year.

The revenue of the Post-Office, at present, arises principally from letters passing from one seaport to another; and this source will be constantly increasing.

If we average the postage paid on letters at five cents, five hundred thousand letters would produce the sum that now arises from the Post-Office annually.

A revenue of five hundred thousand dollars would require ten millions, at five cents; five millions, at ten cents, and three millions and one-third, at fifteen cents; which last rate is probably nearer the true average than either of the other sums.

If there be one hundred thousand persons that write in the course of a year, each of them thirty letters, it will nearly make the number, or twenty-five thousand that write severally one hundred and twenty letters.

Foreign letters should also be taken into the computation, which are very numerous, and in other countries are subjected to a heavy rate of postage.

If, however, we should place the nett revenue at one hundred thousand dollars, even this sum must be an object of great importance to the Treasury of the United States. But it will require some time to get a system into operation so as to produce it.

Unless a more energetic system is established than the present one, there will be no surplus revenue that will be worth calculating upon.

*Report on Post-Office Department.*

The great extent of territory over which three millions of people are settled, occasions a great expense in transporting the mail; and it will be found impracticable to accommodate all that wish to be accommodated, unless a great proportion of the revenue be given up for this object.

The applications for new post-offices, and new post-roads, are numerous; cross-roads must be established, and of very considerable extent, in order to open a communication with the Treasury and the revenue officers.

On franked letters, I have to observe, that the accounts have not been so kept in the post-offices as that we can ascertain what the amount would be, if they were charged with the usual rates of postage.

Newspapers, which have hitherto passed free of postage, circulate extensively through the post-offices; one or two cents upon each would probably amount to as much as the expenses of transporting the mail.

The third article, if properly regulated, would be a source of great revenue; if the postage could be collected, the present rates could not produce a revenue much short of fifty thousand dollars a year. But upon the construction that has heretofore been put upon the ordinance of Congress, ship letters have operated as a clear loss to the revenue.

The clause of the ordinance is as follows: "for any distance not exceeding sixty miles, one pennyweight eight grains; upwards of sixty-miles, and not exceeding one hundred miles, two pennyweights, and so on; and for all single letters to and from Europe, by the packet, or despatch vessel, four pennyweights; and to the foregoing rates shall be added a sum not exceeding four-ninetieths of a dollar upon any letter, packet, or despatch, which shall come into the post-office from beyond sea by any other conveyance than by packet, or despatch vessel."

The meaning of this clause, as it relates to ship letters, appears to be plain. Packet or despatch vessels can intend none other than American. All letters coming into the Post-Office from beyond sea, by other conveyance than American packets, should be charged with the four pennyweights, equal to twenty-ninetieths, and the additional sum of four ninetieths, making twenty-four ninetieths; and if such letters are forwarded by land through the post offices, the usual rates for travelling letters should be charged over and above the twenty-four ninetieths. The rates correspond nearly with the British rates for the like kind of letters. But whether so high a rate of postage ought to be put on letters that come by French or British packets, is a matter that is questioned by many.

The practice has been to charge two-ninetieths on ship letters delivered out at the same place where they were first received, and four-ninetieths in addition to the fixed rate of travelling letters, on these forwarded to other places,

if they came from beyond sea by any other conveyance than French or British packets. The two-ninetieths has been considered as a perquisite to the Postmaster, the General Post-Office has not been credited with it. And as the Postmasters are authorized to pay one-ninetieth a letter to the captains or masters of vessels bringing the same, they take credit to themselves for the one-ninetieth in their account current with the General Post-Office. In one of the post-offices this one-ninetieth has amounted to one hundred and sixty dollars a year; and consequently the twenty-four ninetieths, if it had been charged, would have amounted to three thousand eight hundred and forty dollars a year.

The late Postmaster at this place had, as perquisites, over and above his commission of twenty per cent., more than all the money that arose from ship letters, and one hundred and twenty pounds a year for his trouble with respect to French and British packets.

The foregoing rates of postage were reduced twenty-five per cent. by an act of Congress of the —, 1787.

On the fourth article I will give my reasons for apprehending that the rates of postage are in some instances too high.

Wherever Congress may hold their sessions, it will be considered as the centre of the United States, and will necessarily occasion a great deal of letter-writing to that place. The extremes are, in my opinion, entitled to an easy and cheap access to that place through the Post-Office. Their comparative advantages derived from the General Government, are smaller than those of the more central, and ought not to be diminished by the heavy rates of postages that now exist. The postage of a single letter from Georgia, or rather Savannah, to New York, is thirty-three ninetieths of a dollar, which amounts almost to a prohibition of communication through the Post-Office. If it should be reduced to about sixteen cents, the revenue would not probably be injured by it.

So far as I have been able to collect the opinions of others relative to the fifth article, the injury the general revenue has sustained in this way is greater than I had expected; perhaps no complete remedy can be devised for this evil, yet it may undoubtedly be remedied in a great measure.

In the present manner of contracting to carry the mail, especially by stage carriages, the contractors labor under disadvantages on account of the shortness of the time. One of them has property to the amount of nearly twenty thousand dollars employed in the transportation of the mail. Whenever they undertake to carry it one or two hundred miles, it costs them several thousand dollars for horses and carriages. This property sinks considerably in his hands if he fails to contract the next year. Many of them urge this contingency as a reason for a higher charge. The advertising for proposals for carrying the mail places the Post-

*Report on Post-Office Department.*

master-General in a disagreeable predicament; for many poor people make proposals at so low a rate, that it is obvious the business cannot be done as it ought to be, and consequently there cannot be a strict adherence to the lowest proposals. Discretion must be used, and the contract must be given to him who will most probably perform the duty with punctuality. A few failures in a year injure the General Post-Office more than the public can be benefited by the recovery of the penalties in the contractors' bonds.

Whether it will not be proper to give the contractors, that carry the mail by stage carriages, the exclusive privilege of driving stages on the post-roads, is submitted for consideration.

There are at this time about twenty different contracts for carrying the mail, which has a greater tendency to put the business into confusion than I apprehended. Every contractor consults his own interest as to the days and hours of arrival and departure of the mail, without having a due regard to the necessary connexion of the Post-Office. A regular system of days and hours of departure has never been established further southward than Alexandria.

The contracts for carrying the mail to the southward of New York the ensuing year, amount to - - - \$14,973 75

And to the eastward of the same place, to - - - 6,003 15

\$20,977 00

With the exclusive privilege of driving stages, and the contracts being for a greater length of time, this sum would probably be sufficient to induce men of property to come forward, when character and reputation would be the best kind of security for the Post-Office. It is so necessary to establish regularity, in order to promote a well-founded confidence in the Post-Office, which, I think, can hardly be effected upon the present mode of contracting, that if a different one should eventually cost something more, yet the Department would be benefited by it.

It is not difficult to ascertain what ought to be given for carrying the mail a mile. If the Legislature should fix the sum, it would then be the duty of the Postmaster-General to find out such as he could place the most confidence in to execute the business well. This method has always been practised in England, so far as I understand the regulations of the post-office there.

On the sixth article it may be observed, that very small advantages taken by those concerned in the receipt of postage will, in a year, amount to a great sum. In some instances these may be justifiable; for example, the postage of a single letter from New York to Philadelphia is one pennyweight eight grains, or sixpence two-thirds Pennsylvania currency. This cannot be made out in any pieces of coin

current in the United States. The letter is charged with seven pence, which is right: for if there must be a fraction, it ought always to be taken in favor of the Post-Office.

This, however, may be remedied in two ways; the one is to make the rates of postage to be received in each State conformable to the currency thereof; the other is for the United States to coin pieces that might correspond with the rate of postage.

The dead letters may afford an opportunity for defrauding the revenue; but if the deputies' accounts are properly examined in the General Post-Office, many evils that might otherwise exist will naturally vanish.

With respect to the present ordinance regulating the Post-Office, I beg leave to suggest the propriety of sundry alterations and additions.

If the views of the Legislature should be to raise a revenue from the Post-Office, the defects of the present system are many, and may easily be pointed out. But if there should be no such views, yet, for the purpose of establishing more security in the Department, sundry alterations will be found essentially necessary.

The two following articles operate most powerfully against the productiveness of the Post-Office at present.

Any person may receive, carry, and deliver, inland letters, and is subject to no penalty, if it be done without hire or reward.

The following alterations appear to me to be necessary for greater security in the Post-Office, whether revenue be or be not an object.

A more accurate description of offences and frauds that may be committed by any person employed in any way or manner whatever in the Department; and the establishment of penalties proportioned to the injuries that may happen from the committing such offences, or being guilty of such frauds.

Those that will naturally present themselves first will be such as may be committed by the Postmaster-General, and those employed in his office; and such as may be committed by the contractors for carrying the mail, and by their agents and servants.

Many offences may probably be pointed out that have never been committed in the United States; but the opportunity to commit them is great, and when committed, the injury may be irreparable, as property to a very great amount is frequently entrusted in the mail.

It therefore appears to me, that it will be only exercising a due degree of caution to guard against them by defining the crimes and affixing to the commission of them, such penalties as will be most likely to deter from and prevent the actual commission of them.

The duties of the Postmaster General are at present to keep an office in the place where Congress may hold their sessions; to obey such orders and instructions as he may from time to time receive from the President of the United States; to appoint deputy postmasters, and in-

*Report on Post-Office Department.*

struct them in their duty in conformity to the acts of Congress; to receive and examine their accounts and vouchers, and draw out of their hands quarterly the balances due to the United States; to render to the Treasury, annually, an account of the receipts and expenditures, for examination and allowance, and to pay over the surplus moneys; to provide by contract and otherwise for carrying the mail, and to pay the necessary expenses thereof; to establish and open new post-offices and new post-roads, whenever and wherever they may be found necessary, within certain limits marked out by the acts of Congress; and, in general, to superintend the Department, and to be accountable for it, in the various duties assigned to it, except the carrying of the mail.

On any breach of oath, on due conviction, he forfeits one thousand dollars.

With respect to the accountability of the Postmaster-General, I beg leave to observe that no man can, however sagacious and cautious he may be in his appointments, without subjecting himself to certain loss, be responsible for the conduct of his deputies. The calculation of loss being certain in case of responsibility, if he has not a salary sufficient to compensate such loss, he must, to save himself, transact the business, and keep the accounts in a manner that the Treasury shall not be able to charge him with any more money than he chooses to be charged with; or he may endeavor to transact the business fairly, and hold the office until he finds he cannot preserve his reputation and credit; and then, if he is an honest man, he will resign.

The number of times the mail shall be carried weekly, the advertising for proposals for carrying the mail, and the establishing of new post-offices and new post-roads, appear to me to be matters that should be left in the direction of the Supreme Executive. Very great embarrassments ensue when business is pointed out in detail; and there is no power at hand to alter the same, however necessary it may be to alter it.

The Postmaster-General should be subjected to suitable penalties, in case he neglects or refuses to render true and just accounts of the receipts and expenditures, and to pay over the moneys to the Treasury that may be over and above the annual expenditures, at such periods as may be required.

It may be a question, whether the Postmaster-General should keep an office separate from one in which common and ordinary business is done. There may be some reasons why he should not have a separate office. Irregularities and interruptions of communications will happen, and those who have the receiving and delivering of the mail, are most likely to be acquainted seasonably with them.

When the Postmaster-General keeps a separate office, many things that he ought to be acquainted with may entirely escape his notice.

I found the General Post-Office not blended

with one in which common and ordinary business was transacted, and it remains in the same situation.

The prohibition at present against receiving and carrying letters extends to such only as do it for hire or reward, but it ought to extend to all who receive and carry letters, whether with or without reward; and penalties should be annexed to enforce an observance of it. Some few exceptions may be found necessary, where masters of vessels carry letters respecting the merchandises under their immediate care; and letters sent by a special messenger, by a friend, or by a common known carrier of goods.

Regulations may probably be found necessary respecting by or way-letters; embezzling or destroying letters on which the postage has been paid; detaining or opening letters; secreting, embezzling, and stealing any valuable papers out of any letters; against the carriers of the mail in case they neglect or desert it; to oblige the ferryman to set the mail across in all possible cases, in a given time; to recover debts due to and from the deputy postmasters, in a summary way.

These are some of the principal alterations that have occurred to me as being necessary to be introduced into the regulations of the Post-Office; and no doubt many others may suggest themselves to the wisdom of the Legislature.

With respect to appropriating to a particular object any supposed surplus of revenue that may arise in the Department, I beg leave to observe, that it will undoubtedly tend to awaken the attention of the citizens to the Department, if a certain sum should be required to be paid quarterly or semi-annually into the Treasury, and be appropriated to the payment of the interest of the domestic debt, as far as it might go.

This might interest a powerful body of citizens in attending to the operations of the Department, and would probably have a greater tendency to keep the Postmasters strictly to their duty, if any should be otherwise disposed, than any authority with which the Postmaster-General might be clothed.

I have enclosed the form of an act, or rather such principles as appear to me proper to be introduced into the arrangement of the Post-Office, which will tend more fully than the foregoing observations to explain my views of the alterations that are necessary.

I am, sir, with esteem,

Your most obedient humble servant,  
SAMUEL OSGOOD.

HON. ALEXANDER HAMILTON, Esq.  
*Secretary of the Treasury.*

MEMORIAL OF ROBERT MORRIS.

To the President, the Senate, and House of Representatives of the United States of America, the memorial of ROBERT MORRIS, late Superintendent of the Finances of the said United States, humbly sheweth:

That on the 20th day of June, 1785, and

*Memorial of Robert Morris.*

subsequent to your memorialist's resignation of his office of Superintendent, the Congress passed a resolution in the following words: "Resolved, That three commissioners be appointed to inquire into the receipts and expenditures of public moneys, during the administration of the late Superintendent of Finance, and to examine and adjust the accounts of the United States with that department, during his administration, and to report a state thereof to Congress;" which resolution, to persons unacquainted with the nature of the office, and the mode of conducting the business of the department, gave occasion to the supposition that your memorialist had accounts both difficult and important to settle with the United States, in respect to his official transactions; that though your memorialist foresaw the disagreeable consequences which might result to himself from the diffusion of such an opinion, he, notwithstanding, not only forbore any representation on the subject, but scrupulously avoided every species of interference, direct or indirect, lest it should be imagined, either that he was actuated by the desire of obtaining from Congress those marks of approbation which had, in repeated instances, been bestowed on the servants of the public, or that he feared to meet the proposed investigation. Respect for the Sovereign of the United States, concurring with motives of delicacy, to forbid even the appearance of asking, what, if merited, it was to be presumed would be conferred, (as being the proper reward of services, not of solicitation,) and a firm confidence in the rectitude of his conduct, leaving your memorialist no inducement to evade any inquiry into it, which it might be thought fit to institute.

That your memorialist taking it for granted that the reasons which had produced a determination to establish a mode of inquiry into the transactions of the most important office under the Government, would have ensured a prosecution of the object, till it had been carried into effect, long remained in silent expectation of the appointment of commissioners, according to the resolution which had been entered into for that purpose. But it has so happened, from what cause your memorialist will not undertake to explain, that no further steps have ever been taken in relation to it; and your memorialist has remained exposed to the surmises which the appearance of an intention to inquire into his conduct had a tendency to excite, without having been afforded an opportunity of obviating them. That the unsettled condition of certain accounts of a commercial nature between the United States and the late house of Willing, Morris, and Co. and your memorialist, prior to his appointment as Superintendent of the Finances, having been confounded with his transactions in that capacity, your memorialist has, in various ways, been subjected to injurious imputations on his official conduct, the only fruits of services, which, at the time they were rendered, he trusts he may,

without incurring the charge of presumption, affirm, were generally esteemed both important and meritorious, and were at least rendered with ardor and zeal, with unremitted attention, and unwearied application.

That your memorialist, desirous of rescuing his reputation from the aspersions thrown upon it, came, in the month of October, 1788, to the city of New York, as well for the purpose of urging the appointment of commissioners to inspect his official transactions, as for that of procuring an adjustment of the accounts which existed previous to his administration. But the first object was frustrated by the want of a sufficient number of members to make a Congress; and the last was unavoidably delayed by the preliminary investigations requisite on the part of the commissioner named by the late Board of Treasury, toward a competent knowledge of the business; that in the month of February, 1789, your memorialist returned to New York for the same purposes; but the obstacles which he had before experienced, still operated to put it out of his power to present the memorial which had been prepared by him in October, praying for an appointment of commissioners; that he was therefore obliged to confine himself to measures for the settlement of his accounts, respecting the transactions antecedent to his appointment as Superintendent, which he entered upon accordingly, with the commissioner appointed by the Board of Treasury; and in which, as much progress as time and circumstances would permit was made, until the 4th of March last, when that commissioner, conceiving his authority, by the organization of the new Government, to have ceased, declined further proceedings, and of course, your memorialist was obliged to wait the establishment of a new Treasury Department, for the further prosecution of that settlement, which has been accordingly resumed, and he hopes will speedily be accomplished. But inasmuch as no mode of inquiry into his official conduct has hitherto been put into operation, and as doubts of its propriety have been raised by an act of the Government, your memorialist conceives himself to have a claim upon the public justice, for some method of vindicating himself, which will be unequivocal and definitive. Wherefore, and encouraged by a consciousness of the integrity of his administration, your memorialist is desirous that a strict examination should be had into his conduct while in office, in order, that if he has been guilty of mal-administration, it may be detected and punished; if otherwise, that his innocence may be manifested and acknowledged. Unwilling, from this motive, that longer delay should attend the object of the resolution which has been recited, your memorialist humbly prays that an appointment of commissioners may take place to carry the said resolution into effect. And your memorialist, as in duty bound, will pray, &c.

ROBERT MORRIS.

NEW YORK, February 8, 1790.

*Letter from the National Assembly of France.*LETTER FROM THE NATIONAL ASSEMBLY  
OF FRANCE.

A message was received from the President of the United States, accompanied with the following copies of a letter, addressed to him by the President of the National Assembly of France, and of a decree of that Assembly transmitted with it.

## MR. PRESIDENT:

The National Assembly has worn, during three days, mourning for Benjamin Franklin, your fellow-citizen, your friend, and one of the most useful of your co-operators in the establishment of American Liberty. They charge me to communicate their resolution to the Congress of the United States. In consequence, I have the honor to address to you, Mr. President, the extract from the proceedings of their session of the 11th, which contains the deliberation.

The National Assembly have not been stopped in their decree by the consideration that Franklin was a stranger. Great men are the fathers of universal humanity; their loss ought to be felt, as a common misfortune, by all the tribes of the great human family; and it belongs, without doubt, to a nation still affected by all the sentiments which accompany the achievement of their liberty, and which owes its enfranchisement essentially to the progress of the public reason, to be the first to give the example of the filial gratitude of the people towards their true benefactors; besides that these ideas, and this example, are so proper to disseminate a happy emulation of patriotism, and thus to extend more and more the empire of reason and virtue, which could not fail promptly to determine a body, devoted to the most important legislative combinations; charged with assuring to the French the rights of men and citizens, it has believed, without doubt, that fruitful and great truths were likewise numbered among the rights of man.

The name of Benjamin Franklin will be immortal in the records of freedom and philosophy; but it is more particularly dear to a country, where, conducted by the most sublime mission, this venerable man knew very soon to acquire an infinite number of friends and admirers, as well by the simplicity and sweetness of his manners, as by the purity of his principles, the extent of his knowledge, and the charms of his mind.

It will be remembered, that every success which he obtained in his important negotiation, was applauded and celebrated (so to express it) all over France, as so many crowns conferred on genius and virtue.

Even then the sentiment of our rights existed in the bottom of our souls. It was easily perceived, that it feelingly mingled in the interest which we took in behalf of America, and in the public vows which we preferred for your liberty.

At last the hour of the French has arrived:

we love to think that the citizens of the United States have not regarded with indifference our steps towards liberty. Twenty-six millions of men, breaking their chains, and seriously occupied in giving themselves a durable constitution, are not unworthy the esteem of a generous people who have preceded them in that noble career.

We hope they will learn with interest the funeral homage which we have rendered to the Nestor of America. May this solemn act of fraternal friendship serve more and more to bind the tie which ought to unite two free nations. May the common enjoyment of liberty shed itself over the whole globe, and become an indissoluble chain of connexion among all the people of the earth! For ought they not to perceive that they will march more stedfastly and more certainly to their true happiness, in understanding and loving each other, than in being jealous and fighting?

May the Congress of the United States, and the National Assembly of France, be the first to furnish this fine spectacle to the world! And may the individuals of the two nations connect themselves by a mutual affection, worthy of the friendship which unites the two men, at this day most illustrious by their exertions for liberty—Washington and Lafayette!

Permit me, Mr. President, to offer, on this occasion, my particular homage of esteem and admiration.

I have the honor to be, with respectful consideration, Mr. President, your most humble and most obedient servant,

SIYES, *President.*

PARIS, June 20, 1790.

*Decree of the National Assembly of the 11th of June, 1790.*

The National Assembly decree, that their members shall wear, during three days, mourning for Benjamin Franklin, to commence on Monday next; that the discourse pronounced on this occasion be printed, and that the President write to the American Congress, in the name of the National Assembly.

Compared with the original, by us, President and Secretaries of the National Assembly, at Paris, June 10, 1790.

SIYES, *President.*

GOUDAU,  
FELIX DE PARDIEU,  
DUMOUCHE, *Secretaries.*

MESSAGE OF THE PRESIDENT ON FRENCH  
AFFAIRS.

UNITED STATES, January 19, 1791.

*Gentlemen of the Senate:*

I lay before you a representation of the Chargé des Affaires of France, made by order



*Message of the President on French affairs.*

of his court, on the acts of Congress of the 20th of July, 1789 and 1790, imposing an extra tonnage on foreign vessels, not excepting those of that country; together with the report of the Secretary of State thereon: and I recommend the same to your consideration, that I may be enabled to give to it such answer as may best comport with the justice and the interest of the United States.

GEO. WASHINGTON.

The papers referred to in the above message were read as follows:

## DOCUMENTS.

The Secretary of State having received from the *Chargé des Affaires de France*, a note on the tonnage payable by French vessels in the ports of the United States, has had the same under his consideration, and thereupon makes the following report to the President of the United States.

The *Chargé des Affaires de France*, by a note of the 13th of December, represents, by order of his court, that they consider so much of the acts of Congress of July 20, 1789 and 1790, as imposes an extraordinary tonnage on foreign vessels, without excepting those of France, to be in contravention of the fifth article of the treaty of amity and commerce between the two nations; that this would have authorized, on their part, a proportional modification in the favors granted to the American navigation; but that his sovereign had thought it more conformable to his principles of friendship and attachment to the United States, to order him to make representations thereon, and to ask in favor of French vessels a modification of the acts which impose an extraordinary tonnage on foreign vessels.

The Secretary of State, in giving in this paper to the President of the United States, thinks it his duty to accompany it with the following observations:

The third and fourth articles of the treaty of amity and commerce between France and the United States, subject the vessels of each nation to pay, in the ports of the other, only such duties as are paid by the most favored nation; and give them, reciprocally, all the privileges and exemptions in navigation and commerce, which are given by either to the most favored nations. Had the contracting parties stopped here, they would have been free to raise or lower their tonnage, as they should find it expedient, only taking care to keep the other on the footing of the most favored nation. The question then is, whether the fifth article cited in the note is any thing more than an application of the principle comprised in the third and fourth to a particular object, or whether it is an additional stipulation of something not so comprised?

I. That it is merely an application of a principle comprised in the preceding articles, is declared by the express words of the article, to

wit: "*Dans l'exemption ci-dessus est nommément compris, &c.*" "in the above exemption is particularly comprised the imposition of 100 sols per ton established in France on foreign vessels." Here, then, is at once an express declaration, that the exemption from the duty of 100 sols is comprised in the third and fourth articles; that is to say, it was one of the exemptions enjoyed by the most favored nations, and, as such, extended to us by those articles. If the exemption spoken of in this first member of the fifth article was comprised in the third and fourth articles, as is expressly declared, then the reservation by France out of that exemption (which makes the second member of the same article,) was also comprised, that is to say, if the whole was comprised, the part was comprised. And if this reservation of France in the second member was comprised in the third and fourth articles, then the counter reservation by the United States (which constitutes the third and last member of the same article) was also comprised; because, it is but a corresponding portion of a similar whole, on our part, which had been comprised by the same terms with theirs.

In short, the whole article relates to a particular duty of 100 sols, laid by some antecedent law of France on the vessels of foreign nations, relinquished as to the most favored, and consequently to us. It is not a new and additional stipulation, then, but a declared application of the stipulations comprised in the preceding articles to a particular case, by way of greater caution.

The doctrine laid down generally in the third and fourth articles, and exemplified specially in the fifth, amounts to this: "The vessels of the most favored nations coming from foreign ports are exempted from the duty of 100 sols; therefore, you are exempted from it by the third and fourth articles. The vessels of the most favored nations coming coastwise pay that duty; therefore, you are to pay it by the third and fourth articles. We shall not think it unfriendly in you to lay a like duty on coasters, because it will be no more than we have done ourselves. You are free also to lay that or any other duty on vessels coming from foreign ports, provided they apply to all other nations, even the most favored. We are free to do the same, under the same restriction. Our exempting you from a duty which the most favored nations do not pay, does not exempt you from one which they do pay."

In this view it is evident that the fifth article neither enlarges nor abridges the stipulations of the third and fourth. The effect of the treaty would have been precisely the same had it been omitted altogether; consequently, it may be truly said, that the reservation by the United States in this article is completely useless. And it may be added, with equal truth, that the equivalent reservation by France is completely useless, as well as her previous abandonment of the same duty; and, in short,

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the whole article. Each party then remains free to raise or lower its tonnage, provided the change operates on all nations, even the most favored.

Without undertaking to affirm, we may obviously conjecture that this article has been inserted on the part of the United States from an overcaution to guard, *nommément*, by name, against a particular grievance, which they thought they could never be too well secured against; and that has happened which generally happens, doubts have been produced by the too great number of words used to prevent doubt.

II. The court of France, however, understands this article as intended to introduce something to which the preceding articles had not reached; and not merely as an application of them to a particular case. Their opinion seems to be founded on the general rule in the construction of instruments, to leave no words merely useless, for which any rational meaning can be found. They say that the reservation by the United States, of a right to lay a duty equivalent to that of the 100 sols reserved by France, would have been completely useless, if they were left free by the preceding articles to lay a tonnage to any extent whatever; consequently, that the reservation of a part proves a relinquishment of the residue.

If some meaning, and such a one is to be given to the last member of the article, some meaning, and a similar one, must be given to the corresponding member. If the reservation by the United States of a right to lay an equivalent duty, implies a relinquishment of their right to lay any other, the reservation by France, of a right to continue the specified duty to which it is an equivalent, must imply a relinquishment of the right on her part to lay or continue any other. Equivalent reservations by both must imply equivalent restrictions on both. The exact reciprocity stipulated in the preceding articles, and which pervades every part of the treaty, ensures a counter right to each party for every right ceded to the other.

Let it be further considered, that the duty called tonnage in the United States is in lieu of the duties for anchorage, for the support of buoys, beacons, and lighthouses, to guide the mariner into harbor and along the coast, which are provided and supported at the expense of the United States; and for fees to measurers, weighers, gaugers, &c., who are paid by the United States, for which articles, among many others, (light-house money excepted,) duties are paid by us in the ports of France under their specific names. That Government has hitherto thought these duties consistent with the treaty; and consequently the same duties, under a general, instead of specific names, with us, must be equally consistent with it. It is not the name, but the thing which is essential. If we have renounced the right to lay any port duties, they must be understood to have equally renounced that of either laying new, or con-

tinuing the old. If we ought to refund the port duties received from their vessels since the date of the act of Congress, they should refund the port duties they have received from our vessels since the date of the treaty, for nothing short of this is the reciprocity of the treaty.

If this construction be adopted, then each party has for ever renounced the right of laying any duties on the vessels of the other coming from any foreign port, or more than 100 sols on those coming coastwise. Could this relinquishment be confined to the two contracting parties alone, the United States would be the gainers; for it is well known that a much greater\* number of American than of French vessels are employed in the commerce between the two countries; but the exemption once conceded by the one nation to the other, becomes immediately the property of all others who are on the footing of the most favored nations. It is true that those others would be obliged to yield the same compensation, that is to say, to receive our vessels duty free. Whether we should gain or lose in the exchange of the measures with them, is not easy enough to say.

Another consequence of this construction will be, that the vessels of the most favored nations, paying no duties, will be on a better footing than those of natives which pay a moderate duty; consequently either the duty on these also must be given up, or they will be supplanted by foreign vessels in our own ports.

The resource, then, of duty on vessels, for the purposes either of revenue or regulation, will be for ever lost to both. It is hardly conceivable that either party looking forward to all these consequences, would see their interest in them.

III. But if France persists in claiming this exemption, what is to be done? The claim, indeed, is couched in mild and friendly terms; but the idea leaks out that a refusal would authorize them to modify proportionally the favor granted by the same article to our navigation. Perhaps they may do what we should feel much more severely; they may turn their eyes to the favors granted us by their arrêts of December 29, 1787, and December 7, 1788, which hang on their will alone, unconnected with the treaty. Those arrêts, among other advantages, admit our whale oils to the exclusion of that of all other foreigners. And this monopoly procures a vent for seven-twelfths of the produce of that fishery, which experience has taught us could find no other market. Near two-thirds of the produce of our cod fisheries, too, have lately found a free vent in the colonies of

\* By an official paper from the bureau of the balance of commerce of France, we find that of the ships which entered the ports of France from the United States in the year 1789, only thirteen, amounting to 2,105 tons, were French; and 163, making 24,173 tons, were Americans.

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France.\* This, indeed, has been an irregularity growing out of the anarchy reigning in those colonies. Yet the demands of the colonists, even of the Government party among them, (if an auxiliary disposition can be excited by some marks of friendship and distinction on our part,) may perhaps produce a constitutional concession to them to procure their provisions at the cheapest market; that is to say, at ours.

Considering the value of the interests we have at stake, and considering the smallness of difference between foreign and native tonnage on French vessels alone, it might, perhaps, be thought advisable to make the sacrifice asked; and especially if it can be so done as to give no title to other the most favored nations to claim it. If the act should put French vessels on the footing of those of natives, and declare it to be in consideration of the favors granted us by the arrêts of December 23, 1787, and December 7, 1788, (and perhaps this would satisfy them,) no nation could then demand the same favor without offering an equivalent compensation. It might strengthen, too, the tenure by which those arrêts are held, which must be precarious so long as they are gratuitous.

It is desirable, in many instances, to exchange mutual advantages by legislative acts rather than by treaty; because the former, though understood to be in consideration of each other, and therefore greatly respected, yet when they become too inconvenient, can be dropped at the will of either party: whereas, stipulations by treaty are forever irrevocable but by joint consent, let a change of circumstances render them ever so burdensome.

On the whole, if it be the opinion that the first construction is to be insisted on as ours, in opposition to the second, urged by the court of France, and that no relaxation is to be admitted, an answer shall be given to that court, defending that construction, and explaining, in as friendly terms as possible, the difficulties opposed to the exemption they claim.

2. If it be the opinion that it is advantageous for us to close with France in her interpretation of a reciprocal and perpetual exemption from tonnage, a repeal of so much of the tonnage law will be the answer.

3. If it be thought better to waive rigorous and nice discussions of right, and to make the modification an act of friendship and of compensation for favors received, the passage of such a bill will then be the answer.

TH. JEFFERSON.

JANUARY 18, 1791.

[TRANSLATION.]

*L. G. Otto to the Secretary of State.*

PHILADELPHIA, Dec. 13, 1790.

SIR: During the long stay you made in France, you had opportunities of being satisfied of the favorable dispositions of His Majesty to render permanent the ties that united the two nations, and to give stability to the treaties of alliance and of commerce which form the basis of this Union. These treaties were so well maintained by the Congress formed under the ancient confederation, that they thought it their duty to interpose their authority whenever any laws made by individual States appeared to infringe their stipulations, and particularly in 1785, when the States of New Hampshire and of Massachusetts had imposed an extraordinary tonnage on foreign vessels, without exempting those of the French nation. The reflections that I have the honor to address to you in the subjoined note, being founded on the same principles, I flatter myself that they will merit, on the part of the Government of the United States the most serious attention.

I am, with respect, &c.

L. G. OTTO.

[TRANSLATION.]

*L. G. Otto to the Secretary of State.*

NOTE.—The underwritten Chargé des Affaires of France has received the express order of his court to represent to the United States that the act passed by Congress the 20th July, 1789, and renewed the 20th July of the present year, which imposes an extraordinary tonnage on foreign vessels, without excepting the French vessels, is directly contrary to the spirit and to the object of the treaty of commerce which unites the two nations, and of which His Majesty has not only scrupulously observed the tenor, but of which he has extended the advantages by many regulations very favorable to the commerce and navigation of the United States.

By the 5th article of this treaty, the citizens of these States are declared exempt from the tonnage duty imposed in France on foreign vessels, and they are not subject to that duty but in the coasting business. Congress has reserved the privilege of establishing a duty equivalent to this last, a stipulation founded on the state in which matters were in America at the time of the signature of the treaty. There did not exist, at that epoch, any duty on tonnage in the United States.

\* Abstract of the produce of the fisheries exported from the United States from August 20, 1789, to August 14, 1790, in which is omitted one quarter's exportations from Boston, Plymouth, Dighton, Penobscot, Frenchman's Bay, Machias, and New York, of which the returns are not received.

France and the French West Indies, . . .	\$586,167	\$131,906	\$718,073
The rest of the world, . . .	307,097	101,306	408,403
Whole produce, . . .	893,264	233,212	1,126,476

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It is evident that it was the non-existence of this duty, and the motive of a perfect reciprocity stipulated in the preamble of the treaty, that had determined the King to grant the exemption contained in the article fifth; and a proof that Congress had no intention to contravene this reciprocity is, that it only reserves a privilege of establishing on the coasting business a duty equivalent to that which is levied in France. This reservation would have been completely useless, if, by the words of the treaty, Congress thought themselves at liberty to lay any tonnage they should think proper on French vessels.

The undersigned has the honor to observe, that this contravention of the fifth article of the treaty of commerce might have authorized His Majesty to modify proportionably the favors granted by the same article to the American navigation; but the King, always faithful to the principles of friendship and attachment to the United States, and desirous of strengthening more and more the ties which subsist so happily between the French nation and these States, thinks it more conformable to these views to order the undersigned to make representations on this subject, and to ask in favor of French vessels a modification of the act which imposes an extraordinary tonnage on foreign vessels. His Majesty does not doubt but that the United States will acknowledge the justice of this claim, and will be disposed to restore things to the footing on which they were at the signature of the treaty of the 6th February, 1778.

L. G. OTTO.

PHILADELPHIA, *December 13, 1790.*

[TRANSLATION.]

*L. G. Otto to the Secretary of State.*

*NEW YORK, January 8, 1791.*

SIR: I have the honor herewith to send you a letter from the King to Congress, and one

which M. de Montmorin has written to yourself. You will find therein the sincere sentiments with which you have inspired our Government, and the regret of the minister in not having a more near relation of correspondence with you. In these, every person who has had the advantage of knowing you in France participates.

At the same time, it gives me pain, sir, to be obliged to announce to you that the complaints of our merchants on the subject of the tonnage duty increase, and that they have excited not only the attention of the King, but that of several departments of the kingdom. I have received new orders to request of the United States a decision on this matter, and to solicit, in favor of the aggrieved merchants, the restitution of the duties which have already been paid. I earnestly beg of you, sir, not to lose sight of an object, which, as I have already had the honor to tell you verbally, is of the greatest importance for cementing the future commercial connexions between the two nations.

In more particularly examining this question, you will perhaps find that motives of convenience are as powerful as those of justice, to engage the United States to give to His Majesty the satisfaction which he requires. At least twice as many American vessels enter the ports of France as do those of France the ports of America. The exemption of the tonnage duty, then, is evidently less advantageous for the French than for the navigators of the United States. Be this as it may, I can assure you, sir, that the delay of a decision in this respect, by augmenting the just complaints of the French merchants, will only augment the difficulties. I therefore beg of you to enable me, before the sailing of the packet, which will take place towards the last of this month, to give my court a satisfactory answer.

I have the honor to be, &c.

L. G. OTTO.

His Excellency T. JEFFERSON,  
*Secretary of State.*

## ACTS OF CONGRESS;

PASSED AT THE FIRST SESSION OF THE FIRST CONGRESS BEGUN AT  
NEW YORK, ON THE FOURTH OF MARCH, 1789.

An Act to regulate the time and manner of administering certain oaths.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the oath or affirmation required by the sixth article of the constitution of the United States, shall be administered in the form following, to wit: "I, A. B. do solemnly swear or affirm (as the case may be) that I will support the Constitution of the United States." The said oath or affirmation shall be administered within three days after the passing of this act, by any one member of the Senate to the President of the Senate, and by him to all the members, and to the Secretary; and by the Speaker of the House of Representatives to all the members who have not taken a similar oath, by virtue of a particular resolution of the said House, and to the clerk. And in case of the absence of any member from the service of either House, at the time prescribed for taking the said oath or affirmation, the same shall be administered to such member when he shall appear to take his seat.

Sec. 2. *And be it further enacted,* That at the first session of Congress after every general election of Representatives, the oath or affirmation aforesaid shall be administered by any one member of the House of Representatives to the Speaker, and by him to all the members present, and to the clerk, previous to entering on any other business, and to the members who shall afterwards appear, previous to taking their seats. The President of the Senate, for the time being, shall also administer the said oath or affirmation to each Senator who shall hereafter be elected, previous to his taking his seat. And in any future case of a President of the Senate, who shall not have taken the said oath or affirmation, the same shall be administered to him by any one of the members of the Senate.

Sec. 3. *And be it further enacted,* That the members of the several State Legislatures, at the next sessions of the said Legislatures re-

spectively, and all executive and judicial officers of the several States, who have been heretofore chosen or appointed, or who shall be chosen or appointed before the first day of August next, and who shall then be in office, shall, within one month thereafter, take the same oath or affirmation, except where they shall have taken it before; which may be administered by any person authorized by the law of the State in which such office shall be holden, to administer oaths. And the members of the several State Legislatures, and all executive and judicial officers of the several States, who shall be chosen or appointed after the said first day of August, shall, before they proceed to execute the duties of their respective offices, take the foregoing oath or affirmation, which shall be administered by the person or persons who, by the law of the State, shall be authorized to administer the oath of office; and the person or persons so administering the oath hereby required to be taken, shall cause a record or certificates thereof to be made, in the same manner, as by the law of the State, he or they shall be directed to record or certify the oath of office.

Sec. 4. *And be it further enacted,* That all officers appointed, or hereafter to be appointed under the authority of the United States, shall, before they act in their respective offices, take the same oath or affirmation which shall be administered by the person or persons who shall be authorized by law to administer to such officers their respective oaths of office; and such officers shall incur the same penalties in case of failure, as shall be imposed by law in case of failure in taking their respective oaths of office.

Sec. 5. *And be it further enacted,* That the Secretary of the Senate and the Clerk of the House of Representatives for the time being, shall, at the time of taking the oath or affirmation aforesaid, each take an oath or affirmation in the words following, to wit: "I, A. B. Secretary of the Senate, or Clerk of the House of Representatives (as the case may be) of the

*Acts of Congress.*

United States of America, do solemnly swear or affirm, that I will truly and faithfully discharge the duties of my said office, to the best of my knowledge and abilities.

**FRED. A. MUHLENBERG,**  
*Speaker of the House of Representatives.*

**JOHN ADAMS,**  
*Vice President of the United States and President of the Senate.*

APPROVED, June 1, 1789.

**GEORGE WASHINGTON,**  
*President of the United States.*

An Act for laying a duty on goods, wares, and merchandises, imported into the United States.

Whereas it is necessary for the support of Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandises, imported,

*Be it enacted, &c.* That from and after the first day of August next ensuing, the several duties hereinafter mentioned shall be laid on the following goods, wares, and merchandises, imported into the United States from any foreign port or place, that is to say—

On all distilled spirits of Jamaica proof, imported from any kingdom or country whatsoever, per gallon, ten cents;

On all other distilled spirits, per gallon, eight cents;

On molasses, per gallon, two and a half cents;

On Madeira wine, per gallon, eighteen cents;

On all other wines, per gallon, ten cents;

On every gallon of beer, ale, or porter, in casks, five cents;

On all cider, beer, ale, or porter, in bottles, per dozen, twenty cents.

On malt, per bushel, ten cents;

On brown sugars, per pound, one cent;

On loaf sugars, per pound, three cents;

On all other sugars, per pound, one and a half cents;

On coffee, per pound, two and a half cents;

On cocoa, per pound, one cent;

On all candles of tallow, per pound, two cents;

On all candles of wax or spermaceti, per pound, six cents;

On cheese, per pound, four cents;

On soap, per pound, two cents;

On boots, per pair, fifty cents;

On all shoes, slippers, or galoshes, made of leather, per pair, seven cents;

On all shoes or slippers made of silk or stuff, per pair, ten cents;

On cables, for every one hundred and twelve pounds, seventy-five cents;

On tarred cordage, for every one hundred and twelve pounds, seventy-five cents;

On untarred cordage and yarn, for every one hundred and twelve pounds, ninety cents;

On twine or pack-thread, for every one hundred and twelve pounds, two hundred cents;

On all steel unwrought, for every one hundred and twelve pounds, fifty-six cents;

On all nails and spikes, per pound, one cent;

On salt, per bushel, six cents;

On manufactured tobacco, per pound, six cents;

On snuff, per pound, ten cents;

On indigo, per pound, sixteen cents;

On wool and cotton cards, per dozen, fifty cents;

On coal, per bushel, two cents;

On pickled fish, per barrel, seventy-five cents;

On dried fish, per quintal, fifty cents;

On all teas imported from China or India, in ships built in the United States, and belonging to a citizen or citizens thereof, or in ships or vessels built in foreign countries, and on the sixteenth day of May last wholly the property of a citizen or citizens of the United States, and so continuing until the time of importation, as follows:

On bohea tea, per pound, six cents;

On all souchong, or other black teas, per pound, ten cents;

On all hyson teas, per pound, twenty cents;

On all other green teas, per pound, twelve cents;

On all teas imported from Europe in ships or vessels built in the United States, and belonging wholly to a citizen or citizens thereof, or in ships or vessels built in foreign countries, and on the sixteenth day of May last, wholly the property of a citizen or citizens of the United States, and so continuing until the time of importation, as follows:

On bohea tea, per pound, eight cents;

On all souchong, and other black teas, per pound, thirteen cents;

On all hyson teas, per pound, twenty-six cents;

On all other green teas, per pound, sixteen cents;

On all teas imported in any other manner than as above mentioned, as follows:

On bohea tea, per pound, fifteen cents;

On all souchong, or other black teas, per pound, twenty-two cents;

On all hyson teas, per pound, forty-five cents;

On all other green teas, per pound, twenty-seven cents;

On all goods, wares, and merchandises, other than teas, imported from China or India, in ships not built in the United States, and not wholly the property of a citizen or citizens thereof, nor in vessels built in foreign countries, and on the sixteenth day of May last wholly the property of a citizen or citizens of the United States, and so continuing until the time of importation, twelve and a half per centum ad valorem.

On all looking glasses, window and other glass, (except black quart bottles)

On all China, stone, and earthen ware,

On gunpowder,

On all paints ground in oil,



On shoe and knee buckles,  
On gold and silver lace, and  
On gold and silver leaf, ten per centum ad  
valorem;

On all blank books,  
On all writing, printing, or wrapping paper,  
paper hangings and pasteboard,  
On all cabinet wares,  
On all buttons,  
On all saddles,  
On all gloves of leather,  
On all hats of beaver, fur, wood, or mixture  
of either,

On all millinery ready made,  
On all castings of iron, and upon slit and  
rolled iron,

On all leather tanned or tawed, and all manu-  
factures of leather, except such as shall be other-  
wise rated,

On canes, walking sticks, and whips,  
On clothing ready-made,  
On all brushes,

On gold, silver, and plated ware, and on  
jewellery and paste work,

On anchors, and on all wrought tin and pew-  
ter ware, seven and a half per centum ad va-  
lorem;

On playing cards, per pack, ten cents;

On every coach, chariot, or other four wheeled  
carriage, and on every chaise, solo, or other two  
wheeled carriage, or parts thereof, fifteen per  
centum ad valorem.

On all other goods, wares, and merchandise,  
five per centum on the value thereof at the time  
and place of importation, except as follows:  
Saltpetre, tin in pigs, tin plates, lead, old pew-  
ter, brass, iron and brass wire, copper in plates,  
wool, cotton, dying woods and dying drugs,  
raw hides, beaver, and all other furs and deer  
skins.

Sec. 2. *And be it further enacted*, That from  
and after the first day of December, which  
shall be in the year one thousand seven hun-  
dred and ninety, there shall be laid a duty on  
every one hundred and twelve pounds weight  
of hemp, imported as aforesaid, of sixty cents;  
and on cotton per pound, three cents.

Sec. 3. *And be it further enacted*, That all  
the duties paid, or secured to be paid, upon any  
of the goods, wares, and merchandises, as  
aforesaid, except on distilled spirits, other than  
brandy and geneva, shall be returned or dis-  
charged upon such of the said goods, wares, or  
merchandises, as shall, within twelve months  
after payment made, or security given, be ex-  
ported to any country without the limits of the  
United States, as settled by the late treaty of  
peace; except one per centum on the amount  
of the said duties, in consideration of the ex-  
pense which shall have accrued by the entry  
and safe keeping thereof.

Sec. 4. *And be it further enacted*, That there  
shall be allowed and paid on every quintal of  
dried, and on every barrel of pickled, fish,  
of the fisheries of the United States, and on  
every barrel of salted provision of the United

States, exported to any country without the  
limits thereof, in lieu of a drawback of the  
duties imposed on the importation of the salt  
employed and expended therein, viz:

On every quintal of dried fish, five cents;

On every barrel of pickled fish, five cents;

On every barrel of salted provision, five  
cents.

Sec. 5. *And be it further enacted*, That a  
discount of ten per cent. on all the duties im-  
posed by this act, shall be allowed on such  
goods, wares, and merchandises, as shall be  
imported in vessels built in the United States,  
and which shall be wholly the property of a  
citizen or citizens thereof, or in vessels built in  
foreign countries, and on the sixteenth day of  
May last, wholly the property of a citizen or  
citizens of the United States, and so continuing  
until the time of importation.

Sec. 6. *And be it further enacted*, That this  
act shall continue and be in force until the first  
day of June, which shall be in the year of our  
Lord one thousand seven hundred and ninety-  
six, and from thence until the end of the next  
succeeding session of Congress, which shall be  
held thereafter, and no longer.

Approved, July 4, 1789.

An Act imposing duties on tonnage.

*Be it enacted, &c.*, That the following du-  
ties shall be, and are hereby, imposed on all  
ships or vessels entered into the United States,  
that is to say:

On all ships or vessels built within the said  
States, and belonging wholly to a citizen or ci-  
tizens thereof; or not built within the said  
States, but on the twenty-ninth day of May,  
one thousand seven hundred and eighty-nine,  
belonging, and during the time such ships or  
vessels shall continue to belong wholly to a  
citizen or citizens thereof, at the rate of six  
cents per ton. On all ships or vessels here-  
after built in the United States, belonging  
wholly, or in part, to subjects of foreign pow-  
ers, at the rate of thirty cents per ton. On all  
other ships or vessels, at the rate of fifty cents  
per ton.

Sec. 2. *Provided always, and be it enacted*,  
That no ship or vessel built within the afore-  
said States, and belonging to a citizen or ci-  
tizens thereof, shall, whilst employed in the  
coasting trade, or in the fisheries, pay tonnage  
more than once in any year.

Sec. 3. *And be it further enacted*, That  
every ship or vessel employed in the transpor-  
tation of any of the produce or manufactures  
of the United States, coastwise, within the said  
States, except such ship or vessel be built with-  
in the said States, and belong to a citizen or  
citizens thereof, shall, on each entry, pay fifty  
cents per ton.

Sec. 4. *And be it further enacted*, That this  
act shall commence and be in force from and  
after the fifteenth day of August next.

Approved, July 20, 1789.

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An Act for establishing an Executive Department, to be denominated the Department of Foreign Affairs.

*Be it enacted, &c.* That there shall be an Executive Department, to be denominated the Department of Foreign Affairs; and that there shall be a principal officer therein, to be called the Secretary for the Department of Foreign Affairs, who shall perform and execute such duties as shall, from time to time, be enjoined on or intrusted to him by the President of the United States, agreeable to the Constitution, relative to correspondences, commissions, or instructions, to or with public ministers or consuls from the United States, or to negotiations with public ministers from foreign states or princes, or to memorials or other applications from foreign public ministers, or other foreigners, or to such other matters respecting foreign affairs as the President of the United States shall assign to the said department: And furthermore, that the said principal officer shall conduct the business of the said Department in such manner as the President of the United States shall, from time to time, order or instruct.

Sec. 2. *And be it further enacted,* That there shall be in the said Department an inferior officer, to be appointed by the said principal officer, and to be employed therein as he shall deem proper, and to be called the chief clerk in the Department for Foreign Affairs; and who, whenever the said principal officer shall be removed from office by the President of the United States, or in any other case of vacancy, shall, during such vacancy, have the charge and custody of all records, books, and papers, appertaining to the said department.

Sec. 3. *And be it further enacted,* That the said principal officer, and every other person to be appointed or employed in the said department, shall, before he enters on the execution of his office or employment, take an oath or affirmation, well and faithfully to execute the trust committed to him.

Sec. 4. *And be it further enacted,* That the Secretary for the Department of Foreign Affairs, to be appointed in consequence of this act, shall, forthwith after his appointment, be entitled to have the custody and charge of all records, books, and papers, in the office of Secretary for the Department of Foreign Affairs, heretofore established by the United States in Congress assembled.

Approved, July 27, 1789.

An Act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States.

*Be it enacted, &c.,* That for the due collection of the duties imposed by law on the tonnage of ships and vessels, and on goods, wares, and merchandises, imported into the United

States, there shall be established and appointed, districts, ports, and officers, in manner following, to wit:

The State of New Hampshire shall be one district, to include the town of Portsmouth as the sole port of entry; and the towns of New-castle, Dover, and Exeter, as ports of delivery only; but all ships or vessels bound to or from either of the said ports of delivery, shall first come to, enter, and clear, at Portsmouth; and a naval officer, collector, and surveyor, for the said district, shall be appointed, to reside at Portsmouth.

In the State of Massachusetts shall be twenty districts and ports of entry, to wit: Newburyport, Gloucester, Salem, and Beverly, as one port; Marblehead, Boston, and Charlestown, as one port; Plymouth, Barnstable, Nantucket, Edgartown, New Bedford, Dighton, York, Biddeford, and Pepperelborough, as one port; Portland and Falmouth, as one port; Bath, Wiscasset, Penobscot, Frenchman's Bay, Machias, and Passamaquoddy. To the district of Newburyport shall be annexed the several towns or landing places of Almsbury, Salisbury, and Haverhill, which shall be ports of delivery only; and a collector, naval officer, and surveyor, for the district, shall be appointed, to reside at Newburyport. To the district of Gloucester shall be annexed the town of Manchester, as a port of delivery only; and a collector and surveyor shall be appointed to reside at Gloucester. To the district of Salem and Beverly shall be annexed the towns or landing places of Danvers and Ipswich, as ports of delivery only; and a collector, naval officer, and surveyor, for the district, shall be appointed to reside at Salem; and a surveyor to reside at each of the towns of Beverly and Ipswich. To the district of Marblehead shall be annexed the town of Lynn, as a port of delivery only; and a collector for the district shall be appointed, to reside at Marblehead. To the district of Boston and Charlestown shall be annexed the towns or landing places of Melford, Cohasset, and Hingham, as ports of delivery only; and a collector, naval officer, and surveyor, shall be appointed, to reside at Boston. To the district of Plymouth shall be annexed the several towns or landing places of Scituate, Duxbury, and Kingston, as ports of delivery only; and a collector for the district shall be appointed, to reside at Plymouth. To the district of Barnstable shall be annexed the several towns or landing places of Sandwich, Harwich, Welfleet, Provincetown, and Chatham, as ports of delivery only; and a collector for the district shall be appointed, to reside at Barnstable. In the district of Nantucket the port of Sherbourne shall be the sole port of entry and delivery within the same; and a collector shall be appointed, to reside at Sherbourne. To the district of Edgartown shall be annexed the town of Falmouth, as a port of delivery only; and a collector shall be appointed, to reside at Edgartown. To the district of

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New Bedford shall be annexed Westport, Rochester, and Wareham, as ports of delivery only; and a collector for the district shall be appointed, to reside at New Bedford. To the district of Dighton shall be annexed Swansea and Freetown, as ports of delivery only; and a collector for the district shall be appointed, to reside at Dighton. To the district of York shall be annexed Kittery and Berwick, as ports of delivery only; and a collector for the district shall be appointed, to reside at York. To the district of Biddeford and Pepperelborough shall be annexed Scarborough, Wells, Kennebunk, and Cape Porpoise, as ports of delivery only; and a collector for the district shall be appointed, to reside at Biddeford. To the district of Portland and Falmouth shall be annexed North Yarmouth and Brunswick, as ports of delivery only; and a collector and surveyor shall be appointed for the district, to reside at Portland. To the district of Bath shall be annexed Hallowell, Pittstown, and Topsham, as ports of delivery only; and a collector for the district shall be appointed to reside at Bath. To the district of Wiscasset shall be annexed Bristol, Boothday, and Waldoborough, as ports of delivery; and a collector for the district shall be appointed, to reside at Wiscasset. To the district of Penobscot shall be annexed Thomastown, Frankfort, Sedgwick Point, and Deer Island, as ports of delivery only; and a collector for the district shall be appointed, to reside at Penobscot. To the district of Frenchman's Bay shall be annexed Union River, as a port of delivery only; and a collector for the district shall be appointed, to reside at Frenchman's Bay. For each of the districts of Machias and Passamaquoddy shall be appointed a collector, to reside at the said ports of Machias and Passamaquoddy respectively. The district of Newburyport shall include all the waters and shores from the State of New Hampshire to the north line of Ipswich. The district of Gloucester shall include all the waters and shores in the towns of Gloucester and Manchester. The district of Salem and Beverly shall include all the shores and waters within the towns of Ipswich, Beverly, Salem, and Danvers. The district of Marblehead shall include all the waters and shores within the towns of Marblehead and Lynn. The district of Boston and Charlestown shall include all the waters and shores within the counties of Middlesex and Suffolk. The district of Plymouth shall include all the waters and shores within the county of Plymouth, except the towns of Wareham and Rochester. The district of Barnstable shall include all the shores and waters within the county of Barnstable, excepting the town of Falmouth. The district of Nantucket shall include the island of Nantucket. The district of Edgartown shall include all the waters and shores within the county of Duke's county and the town of Falmouth. The district of New Bedford shall include all the waters and shores within the towns of New Bedford, Dartmouth,

Westport, Rochester, and Wareham, together will all the islands within the county of Bristol. The district of Dighton shall include all the waters and shores on Taunton river, and in the town of Rehoboth; and the collectors of the several districts within that part of the State of Massachusetts, eastward of New Hampshire, shall agree, as soon as may be, upon a divisional line between their respective districts, and transmit the same to the Comptroller of the Treasury; and such districts, so agreed upon, shall include all the shores, waters, and islands, within the same.

In the State of Connecticut shall be three districts, to wit: New London, New Haven, and Fairfield. The district of New London shall extend from the east line of the said State of Connecticut to the west line of the town of Killingsworth, and north to the south line of the State of Massachusetts, and shall also include the several towns or landing places of Norwich, Stonington, Groton, Lyme, Saybrook, Haddam, East Haddam, Middletown, Chatham, Weathersfield, Glastonbury, Hartford, East Hartford, and Killingsworth, as ports of delivery only, New London to be the sole port of entry; and a collector and surveyor for the district shall be appointed, to reside at New London, and a surveyor to reside at each of the ports of Stonington and Middletown. The district of New Haven shall extend from the west line of the district of New London, westerly to Ousatumnick river; to which shall be annexed the several towns or landing places of Guilford, Brandford, Milford, and Derby, as ports of delivery only, New Haven to be the sole port of entry; and a collector and surveyor for the district shall be appointed, to reside at New Haven. The district of Fairfield shall include all the ports and places in the said State of Connecticut, west of the district of New Haven, to which shall be annexed the several towns or landing places of Norwalk, Stratford, Stamford, and Greenwich, as ports of delivery only, Fairfield to be the sole port of entry; and a collector for the district shall be appointed, to reside at Fairfield; and New London, New Haven, and Fairfield, shall severally be ports of entry.

In the State of New York shall be two districts, to wit: Sagg Harbor on Nassau or Long Island, and the city of New York, each of which shall be a port of entry. The district of Sagg Harbor shall include all bays, harbors, rivers, and shores, within the two points of land which are called Oyster Pond Point, and Montauk Point; and a collector for the district shall be appointed, to reside at Sagg Harbor, which shall be the only place of delivery in the said district. The district of the city of New York shall include such parts of the coasts, rivers, bays, and harbors, of the said State, not included in the district of Sagg Harbor; and, moreover, the several towns or landing places of New Windsor, Newburgh, Poughkeepsie, Esopus, city of Hudson, Kinderhook, and Al-

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bany, as ports of delivery only; and a naval officer, collector, and surveyor, for the district, shall be appointed, to reside at the city of New York; also two surveyors, one to reside at the city of Albany, and the other at the city of Hudson; and all ships or vessels bound to, or from, any port of delivery within the last named district, shall be obliged to come to, and enter or clear out, at the city of New York.

In the State of New Jersey shall be three districts, to wit: Perth Amboy, Burlington, and Bridgetown, which shall severally be ports of entry. The district of Perth Amboy shall comprehend all that part of the State of New Jersey known by the name of East New Jersey, (that part excepted which is hereafter included in the district of Burlington,) together with all the waters thereof, heretofore within the jurisdiction of the said State, in which district the towns or landing places of New Brunswick, Middletown Point, Elizabethtown, and Newark, shall be ports of delivery only; and a collector for the district shall be appointed, to reside at Perth Amboy. The district of Burlington shall comprehend that part of the said State known by the name of West New Jersey, which lies to the eastward and northward of the county of Gloucester, with all the waters thereof, heretofore within the jurisdiction of the said State, including the river and inlet of Little Egg Harbor with the waters emptying into the same, and the sea-coast, sound, inlets, and harbors thereof, from Barnegat inlet to Brigantine inlets, in which district, the landing places of Lambertown and Little Egg Harbor shall be ports of delivery only; and a collector shall be appointed for the district, to reside at Burlington, and a surveyor at Little Egg Harbor. The district of Bridgetown shall comprehend the counties of Gloucester, Salem, Cumberland, and Cape May, (that part of Gloucester county excepted, which is included within the district of Burlington,) and all the waters thereof heretofore within the jurisdiction of the said State; and the town of Salem, Port Elizabeth, on Morrice river, and Stillwell's landing on Great Egg Harbor, shall be ports of delivery only; and a collector for the district shall be appointed, to reside at Bridgetown.

The State of Pennsylvania shall be one district, and Philadelphia shall be the sole port, both of entry and delivery, for the same; and a naval officer, collector, and surveyor, for the district, shall be appointed, to reside at the said port of Philadelphia.

The State of Delaware shall be one district, and the borough of Wilmington shall be the port of entry, to which shall be annexed New Castle and Port Penn, as ports of delivery only; and a collector for the district shall be appointed to reside at the said port of Wilmington.

In the State of Maryland shall be nine districts, to wit: Baltimore, Chester, Oxford, Vienna, Snow Hill, Annapolis, Nottingham, Nanjemoy, and Georgetown. The district of Baltimore shall include Patapsco, Susquehan-

nah, and Elk rivers, and all the waters and shores on the west side of Chesapeake Bay, from the mouth of Magetty river to the south side of Elk river, inclusive, in which Havre-de-Grace and Elkton shall be ports of delivery only; and a naval officer, collector, and surveyor, shall be appointed for the said district, to reside at the town of Baltimore, which shall be the sole port of entry. The district of Chester shall include Chester river, and all the waters and shores on the eastern side of Chesapeake bay, from the south side of Elk river to the north side of the eastern bay and Wye river, exclusive, in which Georgetown, on Sasfras river, shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Chester, which shall be the sole port of entry. The district of Oxford shall include all the waters and shores on the eastern side of Chesapeake Bay, from the north side of Wye river and the eastern bay, to the south side of Choptank river, inclusive, and Cambridge shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Oxford, which shall be the sole port of entry. The district of Vienna shall include all the waters and shores on the eastern side of Chesapeake Bay, from the south side of Choptank river to the south side of Wicomico river, inclusive, and Salisbury shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Vienna, which shall be the sole port of entry. The district of Snow Hill shall include all the waters and shores on the sea-coast, from the north line of Virginia to the south line of Delaware, together with all the waters and shores on the eastern side of Chesapeake bay, from the south side of Wicomico river to the south side of Pocomoke river, inclusive, so far as the jurisdiction of the said State of Maryland extends, to which Sinpuxent shall be a port of delivery for West India produce only; and a collector for the district shall be appointed, to reside at Snow Hill, which shall be the sole port of entry. The district of Annapolis shall include Magetty river, and all the waters and shores from thence to Drum Point, on Patuxent river; and a collector for the district shall be appointed, to reside at Annapolis, which shall be the sole port of entry and delivery for the same. The district of Nottingham shall include all the waters and shores on the west side of Chesapeake bay to Drum Point, on the river Patuxent, together with the said river, and all the navigable waters emptying into the same, to which Benedict, Lower Marlborough, Town creek, and Silvey's landing, shall be annexed as ports of delivery only; a collector for the district shall be appointed, to reside at Nottingham, and a surveyor at Town creek; and Nottingham shall be the sole port of entry. The district of Nanjemoy shall include all the waters of Potomac river, within the jurisdiction of the State of Maryland, from Point Look Out to Pomonkey creek, inclusive, to which

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Saint Mary's shall be annexed as a port of delivery only; and a collector for the district shall be appointed, to reside at Nanjemoy; also a surveyor, to reside at Saint Mary's, and Nanjemoy shall be the sole port of entry. The district of Georgetown shall include all the waters and shores from Pomonkey creek, on the north side of Potomac river, to the head of the navigable waters of the said river, within the jurisdiction of the State of Maryland, to which Digges's landing and Carrollsburg shall be annexed as ports of delivery only; and a collector for the district shall be appointed, to reside at Georgetown, which shall be the sole port of entry.

In the State of Virginia shall be twelve districts, to wit: Hampton as one port; Norfolk and Portsmouth as one port; Bermuda Hundred and City Point as one port; Yorktown, Tappahannock, Yeocomico river, including Kinsale, Dumfries, including Newport, Alexandria, Folly Landing, Cherry-Stone, South Quay, and Louisville. The authority of the officers at Hampton shall extend over all the waters, shores, bays, harbors, and inlets, between the south side of the mouth of York river, along the west shore of Chesapeake bay to Hampton, and thence up James river to the west side of Chickahominy river; and a collector shall be appointed, to reside at Hampton, which shall be the sole port of entry. To the district of Norfolk and Portsmouth shall be annexed Suffolk and Smithfield, as ports of delivery only; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended within a line drawn from Cape Henry to the mouth of James river, and thence up James river to Jordan's Point, and up Elizabeth river to the highest tide water thereof, and Norfolk and Portsmouth shall be the sole port of entry; and a collector, naval officer, and surveyor, for the district, shall be appointed, to reside at Norfolk; also a surveyor to reside at each of the ports of Suffolk and Smithfield. To the district of Bermuda Hundred, or City Point, shall be annexed Richmond, Petersburg, and Manchester, as ports of delivery only; and a collector and surveyor shall be appointed, to reside at Bermuda Hundred, or City Point, which shall be the sole port of entry; also a surveyor for Petersburg, to reside thereat, and a surveyor for Richmond and Manchester, to reside at Richmond; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended between Jordan's point and the highest tide water on James and Appamattox rivers. To the district of Yorktown shall be annexed West Point and Cumberland, as ports of delivery only; and a collector for the district shall be appointed, to reside at Yorktown, which shall be the sole port of entry; also a surveyor for the two ports of delivery, to reside at West Point: and the authority of the officers of the said district shall extend over

all waters, shores, bays, harbors, and inlets, comprehended between the point forming the south shore of the mouth of Rappahannock river, and the point forming the south shore of the mouth of York river, and thence up said river to West Point, and thence up Pomonkey and Mattaponi rivers to the highest navigable waters thereof. To the district of Tappahannock shall be annexed Urbanna, Port Royal, Fredericksburg, and Falmouth, as ports of delivery only; and a collector for the district shall be appointed, to reside at Tappahannock, which shall be the sole port of entry; also a surveyor for each of the ports of Urbanna, Port Royal, and Fredericksburg: and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended between Smith's Point, at the mouth of Potomac, and the point forming the south shore of the mouth of Rappahannock river, and thence up the last mentioned river to the highest tide water thereof. The district of Yeocomico river, including Kinsale, shall extend from Smith's Point, on the south side of Potomac river, to Boyd's Hole on the same river, including all the waters, shores, bays, rivers, creeks, harbors, and inlets, along the south shore of Potomac river to Boyd's Hole aforesaid; and Yeocomico, including Kinsale, shall be the sole port of entry, and a collector shall be appointed, to reside on Yeocomico river. The district of Dumfries, including Newport, shall extend from Boyd's Hole to Cockpit Point, on the south side of Potomac river; and a collector shall be appointed, to reside at Dumfries, which shall be the sole port of entry; and the authority of the officers of this district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended between Boyd's Hole and Cockpit Point aforesaid. For the district of Alexandria shall be appointed a collector and surveyor, to reside at Alexandria, which shall be the sole port of entry; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, on the south side of the river Potomac, from the last mentioned Cockpit Point to the highest tide water of the said river. For the district of Folly landing shall be appointed a collector, who shall reside at Accomack court house, and whose authority shall extend over all the waters, shores, bays, harbors, and inlets, of the county of Accomack. For the district of Cherry Stone shall be appointed a collector, to reside at Cherry Stone, whose authority shall extend over all the waters, shores, bays, harbors, and inlets, comprehended within Northampton county. For the district of South Quay a collector shall be appointed, to reside thereat, whose authority shall extend over all the waters, shores, bays, harbors, and inlets, in that part of Virginia comprehended within the limits of the said State. For the district of Louisville a collector shall be appointed, to reside thereat, whose authority shall extend over all waters, shores, and inlets, included between the rapids and the

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mouth of Ohio river, on the southeast side thereof.

In the State of South Carolina shall be three districts, to wit: Georgetown, Charleston, and Beaufort, each of which shall be a port of entry. The district of Georgetown shall include the shores, inlets, and rivers, from the boundary of North Carolina to the point of Cape Roman.

The district of Charleston shall include all the shores, inlets, rivers, from Cape Roman to Combahee river, inclusive; and the district of Beaufort shall include the shores, inlets, and rivers, from Combahee river to Back river in Georgia, comprehending also the shores, inlets, and harbors, formed by the different bars and sea islands, lying within each district respectively; at the port of Charleston shall be a collector, naval officer, and surveyor, and a collector at each of the other ports.

In the State of Georgia shall be four districts, to wit: Savannah, Sunbury, Brunswick, and Saint Mary's, each of which shall be a port of entry. The district of Savannah shall include Savannah river, Great and Little Ogeechee rivers, with the other harbors, creeks, and rivers, formed by the inlets of Tybee, Little Tybee, Warsaw, and Ossabaw, north of the island of Ossabaw; and a naval officer, collector, and surveyor, for the said district shall be appointed to reside at Savannah. The district of Sunbury shall include the Medway, North and South Newport, and Sapelo rivers, with the harbors, creeks, and rivers, formed by the inlets of Saint Catharine's, south of Ossabaw and Sapelo; and a collector for the district shall be appointed, to reside at Sunbury. The district of Brunswick shall include the Altamaha, Frederica, and Turtle rivers, with the other harbors, creeks, and rivers, formed by the inlets of Doboy, south of Sapelo, Altamaha, and Saint Simons, north of the south point of Jekyll island; Frederica shall be a port of delivery only; and a collector for the said district shall be appointed, to reside at Brunswick. The district of Saint Mary's shall include Great Setilla, Little Setilla, Crooked river, and Saint Mary's river, with the harbors, creeks, and rivers, formed by the inlets of Saint Andrews and Amelia sounds; and a collector for the said district shall be appointed, to reside at Saint Mary's. And in each district it shall be lawful for the collector to grant a permit to unlade at any port or place within the district, and to appoint or put on board any ship or vessel, for which a permit is granted, one or more searchers or inspectors, as may be necessary for the security of the revenue.

Sec. 2. *And be it further enacted*, That every port of entry established by this act, shall be a port of delivery also: *Provided always*, That no ship or vessel not wholly belonging to a citizen or citizens of the United States, shall be admitted to unload at any port or place except the following, to wit: Portsmouth, in the State of New Hampshire; Portland, Falmouth, Dighton, Salem, Gloucester, Newburyport,

Marblehead, Sherbourne, Boston, Plymouth, Wiscasset, Machias, and Penobscot, in the State of Massachusetts; New London or New Haven, in the State of Connecticut; New York; Perth Amboy or Burlington, in the State of New Jersey; Philadelphia; Wilmington, New Castle, and Port Penn, in the State of Delaware; Baltimore, Annapolis, Vienna, Oxford, Georgetown on Potomac, Chestertown, Town Creek, Nottingham, Nanjemoy, Digges's landing, Snow Hill, and Carrollsburg, in the State of Maryland; Alexandria, Kinsale, Newport, Tappahannock, Port Royal, Fredericksburg, Urbanna, Yorktown, West Point, Hampton, Bermuda Hundred, City Point, Rocket's landing, Norfolk, or Portsmouth, in the State of Virginia; Charleston, Georgetown, or Beaufort, in the State of South Carolina; or in either of the districts of Savannah, Sunbury, Brunswick, or Saint Mary's in the State of Georgia: nor shall any ship or vessel arriving from the Cape of Good Hope, or from any place beyond the same, be admitted to enter at any other than the following ports, to wit: Portsmouth, in the State of New Hampshire, Boston, Newburyport, Salem, Gloucester, Portland, or Falmouth, in the State of Massachusetts; New London or New Haven, in the State of Connecticut; New York; Perth Amboy; Philadelphia; Wilmington, in the State of Delaware; Baltimore town, Annapolis, or Georgetown, in the State of Maryland; Alexandria, Norfolk, or Portsmouth, in the State of Virginia; Charleston, Georgetown, or Beaufort, in the State of South Carolina; Sunbury or Savannah, in the State of Georgia: *Provided*, That nothing herein contained shall be construed to prevent the master or commander of any ship or vessel from making entry with the collector of any port or district in which such ship or vessel may be owned, or from whence she may have sailed on such a voyage.

Sec. 3. *And be it further enacted*, That the master or commander of every ship or vessel bound to a port of delivery only, in any of the following districts, to wit: Portland and Falmouth, Bath, Newburyport, New London, (except the port of Stonington in the said district) Norfolk and Portsmouth, Bermuda Hundred and City Point, Yorktown or Tappahannock (except the port of Urbanna in the said district) shall first come to at the port of entry of such district, with his ship or vessel, and there make entry, deliver a manifest of her cargo, and pay, or secure to be paid, all legal duties, tonnage, port fees, and charges, in manner by this act provided, before such ship or vessel shall proceed to her port of delivery; and that any ship or vessel bound to a port of delivery in any other district not under like restrictions by this act, or to either of the ports of Stonington or Urbanna, may first proceed to her port of delivery, and then make legal entry within the time by this act limited.

Sec. 4. *And be it further enacted*, That the master or commander of every ship or vessel,



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if bound to the district of Nottingham, shall, before he pass by the port of Town Creek, and immediately after his arrival, deposite with the surveyor of the said port a true manifest of the cargo on board such ship or vessel; if bound to any district on the Potomac, shall, before he pass by the rivers Saint Mary's and Yeocomico, and immediately after his arrival, deposite with the surveyor at Saint Mary's, or the collector at Yeocomico, as may be most convenient, a true manifest of the cargo on board such ship or vessel, including a declaration of the port at which the same is to be entered; if bound to the district of Tappahannock, shall, before he pass by the port of Urbanna, and immediately after his arrival, deposite with the surveyor for that port a like manifest: and if bound to the district of Bermuda Hundred, or City Point, shall, before he pass by Elizabeth river, and immediately after his arrival, deposite with the collector of the port of Norfolk and Portsmouth, or with the collector for the port of Hampton, a like manifest; and the said surveyors and collectors, respectively, shall, after registering the manifests, transmit the same, duly certified to have been so deposited, to the officer with whom the entries are to be made, without which certificate no such entry shall be received.

Sec. 5. *And be it further enacted*, That the duties of the respective officers, to be appointed by virtue of this act, shall be as follows: At such of the ports to which there shall be appointed a collector, naval officer, and surveyor, it shall be the duty of the collector to receive all reports, manifests, and documents, made or exhibited to him by the master or commander of any ship or vessel, conformably to the regulations prescribed by this act, to make due entry and record, in books to be kept for that purpose, all such manifests, and the packages, marks, and numbers, contained therein; to receive the entry of all ships and vessels, and of all the goods, wares, and merchandise, imported in such ships or vessels, together with the original invoices thereof; to estimate the duties payable thereon, and to endorse the same on each entry; to receive all moneys paid for duties, and to take all bonds for securing the payment of duties; to grant all permits for the unloading and delivery of goods; to employ proper persons as weighers, gaugers, measurers, and inspectors, at the several ports within his district, together with such persons as shall be necessary to serve in the boats which may be provided for securing the collection of the revenue; to provide, at the public expense, and with the approbation of the principal officer of the Treasury Department, storehouses for the safe keeping of goods, together with such scales, weights, and measures, as shall be deemed necessary, and to perform all other duties which shall be assigned to him by law. It shall be the duty of the naval officer to receive copies of all manifests, to estimate and record the duties on each entry made with the collector, and to correct any error made therein, before a permit to

unlade or deliver shall be granted; to counter-sign all permits and clearances granted by the collector. It shall be the duty of the surveyor to superintend and direct all inspectors, weighers, measurers, and gaugers, within his district, and the employment of the boats which may be provided for securing the collection of the revenue; to go on board ships or vessels arriving within his district, or to put on board one or more inspectors; to ascertain by a hydrometer what distilled spirits shall be of Jamaica proof, rating all distilled spirits which shall be of the proof of twenty-four degrees as of Jamaica proof, and to examine whether the goods imported are conformable to the entries thereof; and the said surveyors shall, in all cases, be subject to the control of the collector and naval officer.

Sec. 6. *And be it further enacted*, That every collector appointed in virtue of this act, in case of his necessary absence, sickness, or inability to execute the duties of his office, may appoint a deputy, duly authorized under his hand and seal, to execute and perform, on his behalf, all and singular the powers, functions, and duties, of collector of the district, to which he, the said principal, is attached, who shall be answerable for the neglect of duty, or other misconduct, of his said deputy, in the execution of the office.

Sec. 7. *And be it further enacted*, That in case of the disability or death of any collector, the duties and authorities vested in him by this act shall devolve on his deputy, if any such hath been appointed, (for whose conduct the estate of such disabled or deceased collector shall be liable;) and the said deputy shall exercise the authority and perform all the duties, until a successor shall be appointed. But in cases where no deputy is appointed, the authorities and duties of the disabled or deceased collector shall devolve upon the naval officer of the same district, until a successor, duly authorized and sworn, shall enter upon the execution of the duties of the said office.

Sec. 8. *And be it further enacted*, That at such of the ports established by this act, to which a collector and surveyor only are assigned, the said collector shall execute all the duties herein required to be done by the collector and naval officer at other ports. That at such ports to which a collector only is assigned, such collector shall possess all the powers, and execute, as far as may be, all the duties prescribed to a collector, naval officer, and surveyor, at the ports where such officers are established; that at such ports of delivery only, to which a surveyor is assigned, it shall be his duty to receive and record the copies of all manifests transmitted to him by the collector; to enter and record all permits granted by such collector, distinguishing the gauge, weight, measure, and quality, of the goods specified therein; to take care that no goods be unladen or delivered from any ship or vessel without such permit, and to perform all other duties required to be done by a surveyor:

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that at such ports of delivery only, to which no surveyor is assigned, it shall be the duty of the collector of the district to attend the unloading and delivery of goods, or, in cases of necessity, to employ a proper person or persons for that purpose, who shall possess the power, and be entitled to the like compensation allowed to inspectors during the time they are employed. Every collector, naval officer, and surveyor, shall attend in person at the port or district for which he is appointed, and, before he enters on the execution of his office, shall take an oath or affirmation in the form following, to wit: "I, ———, do solemnly swear or affirm, (as the case may be,) that I will truly and faithfully execute and perform all the duties of a ———, of the port or district of ———, according to law, and the best of my skill and ability." The said oath or affirmation shall be administered by any justice of the peace, and a certificate thereof, under the hand and seal of such justice, transmitted within three months thereafter to the Comptroller of the Treasury. Any collector, naval officer, or surveyor, failing herein, shall forfeit and pay two hundred dollars, recoverable, with costs, in any court having cognizance thereof, to the use of the informer; and no weigher, gauger, measurer, or inspector, shall execute the duties of his office, until he shall have taken the above oath or affirmation.

Sec. 9. *And be it further enacted*, That the collectors, naval officers, and surveyors, to be appointed by virtue of this act, shall respectively keep fair and true accounts of all their transactions, relative to their duty as officers of the customs, in such manner and form as may be directed by the proper department, or officer appointed by law to superintend the revenue of the United States; and shall, at all times, submit their books, papers, and accounts, to the inspection of such persons as may be appointed for that purpose. And the collectors of the different ports shall at all times pay, to the order of the officer who shall be authorized to direct the same, the whole of the moneys which they may respectively receive by virtue of this act (such moneys as they are otherwise by this act directed to pay, only excepted;) and shall also, once in every three months, or oftener, if they shall be required, transmit their accounts for settlement to the department or officer before mentioned.

Sec. 10. *And be it further enacted*, That every master or other person, having or taking the charge or command of any ship or vessel bound to any port of the United States from any foreign port or place, shall deliver, upon demand, to any officer or other person lawfully authorized, who shall first come on board his ship or vessel, two manifests, signed by the said master or person having command, and specifying, in words, (and not in figures,) a true account of the loading which such ship or vessel had on board at the port from which she last sailed, and at the time of her sailing, or at any time since, the packages, marks, and numbers,

and noting thereon to what port in the United States such ship or vessel is bound, and the name or names of the person or persons to whom the goods are consigned, or in cases where the goods are shipped to order, the names of the shippers, noting the goods consigned to their order. One of which manifests such officer or other person shall sign, and return to the master or other person having the charge of such ship or vessel, certifying thereon as nearly as may be, the time when the same was produced, and that a like manifest was delivered to him, and shall transmit the other manifest to the collector of the district to which such ship or vessel is bound.

Sec. 11. *And be it further enacted*, That the master or other person having the charge or command of any ship or vessel (ships and vessels of war excepted) coming into, or arriving in any of the ports or districts of the United States, or in any of the creeks or harbors thereof, shall, within forty-eight hours after such arrival, repair to the office of the collector of the district where such vessel shall so arrive, and shall report to the said collector the place from whence he last sailed, with the name and burthen of his ship or vessel, and shall deliver to such collector two manifests, agreeably to the directions of this act, unless he shall before have delivered one manifest to some officer, or other person lawfully authorized in manner as hereinbefore is required, in which case he shall deliver the manifest certified as aforesaid, together with such documents as are usually furnished in the port from whence they came, and shall take and subscribe an oath or affirmation before the collector or other proper officer, which oath or affirmation he or they are authorized and required to administer, and shall be in the words following, to wit: "I, ———, do solemnly swear or affirm (as the case may be) that this is, to the best of my knowledge and belief, a just and true manifest of all the goods, wares, and merchandise, on board the ———, at the port from which she last sailed, at the time of her sailing, or at any time since, and of which vessel I am at present master." And if the master or other person having charge or command of any such ship or vessel, shall refuse or neglect to make entry, or deliver his manifest and documents, pursuant to the directions of this act, or to take the oath or affirmation herein prescribed, he shall forfeit and pay five hundred dollars for each refusal or neglect.

Sec. 12. *And be it further enacted*, That no goods, wares, or merchandise, shall be unladen or delivered from any ship or vessel but in open day, or without a permit from the collector for that purpose; and if the master or commander of any ship or vessel shall suffer or permit the same, such master and commander, and every other person who shall be aiding or assisting in landing, removing, hosing, or otherwise securing the same, shall forfeit and pay the sum of four hundred dollars for every offence; shall, moreover, be disabled from holding any office of

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trust or profit under the United States, for a term not exceeding seven years; and it shall be the duty of the collector of the district to advertise the names of all such persons in the public gazette of the State in which he resides, within twenty days after each respective conviction. And all goods, wares, and merchandise, so landed or discharged, shall become forfeited, and may be seized by any officer of the customs; and where the value thereof shall amount to four hundred dollars, the vessel, tackle, apparel, and furniture, shall be subject to like forfeiture and seizure: *Provided, always*, That if any ship or vessel, compelled by distress of weather, or other sufficient cause, shall put into any port or place of the United States, other than that to which she was actually destined, the master or other person having command, shall, within forty-eight hours next after his arrival, make report and deliver a true manifest of his cargo to the collector of the port or district; and, moreover, shall, within twenty-four hours, make protest in the usual form before a notary public or justice of the peace, of the cause and circumstances of such distress; and if it shall appear to the collector that there is a necessity for unloading such ship or vessel, he shall grant permission, and appoint a proper officer to attend the unloading thereof; and all goods, wares, and merchandise, so unladen, shall be stored under the direction, and subject to the safe keeping of such collector; but if any part thereof shall be of a perishable nature, or it may be necessary to make sale of any part thereof to defray the expenses of such vessel or cargo, the said collector shall grant a license to the master, commander, or owner, to dispose of so much thereof as are perishable, or shall be necessary to defray such expenses: *Provided*, That the duties thereon be first paid or secured: *And, provided also*, That such necessity be made appear by the wardens of the port, or other persons legally authorized to certify the same, and where there are no such persons, by the affidavit of two reputable citizens of the neighborhood, best acquainted with matters of that kind.

Sec. 13. *And be it further enacted*, That every person having goods, wares, or merchandise, in any ship or vessel which shall arrive at any port of entry, or of delivery only, shall make entry with the collector of the port or district where the same shall arrive, of all such goods, wares, and merchandise, specifying the number of packages, and the marks, numbers, and contents, of each, (or if in bulk, the quantity and quality,) together with an account of the nett prime cost thereof; and shall, moreover, produce to the collector the original invoice or invoices, together with the bills of lading; and the said collector shall estimate and endorse the duties on the said entry, the party making such entry taking an oath or affirmation, that it contains the whole of the goods, wares, and merchandise, imported by him, or to him consigned, in such ship or vessel which

shall then have come to his knowledge, and that the said invoice contains, to the best of his knowledge and belief, the nett prime cost thereof; and that if he shall afterwards discover any other, or greater quantity than is contained in such entry, he will make due report and entry thereof; and the said oath or affirmation shall be administered by the collector, and the entry shall be subscribed by the person making the same: *Provided*, That in all cases where the party making entry shall reside ten miles or upwards from such port, the affidavit or affirmation of such party, taken before a justice of the peace, and by him endorsed on the original invoices, shall be as effectual as if administered and endorsed by the collector.

Sec. 14. *And be it further enacted*, That all such entries so authenticated by the collector, together with a copy of the same made out by the party, shall, before any permit is granted for the landing of any goods, wares, or merchandise, therein contained, be examined by the naval officer, (where such officer is established,) who shall countersign the same, and, retaining one, shall return the other certified to the party, together with the bills of lading, and invoice or invoices; and on such certified entries being returned to the collector, and the duties thereon paid, or secured to be paid, he shall grant a permit for the unloading and landing the goods, wares, and merchandise, therein mentioned. And at such ports for which no naval officer is appointed, the collector shall grant like permits for the unloading and landing of all such goods as shall be so entered, and the duties thereof paid or secured.

Sec. 15. *And be it further enacted*, That it shall and may be lawful for the collector, naval officer, and surveyor, of any port of entry or delivery, at which any ship or vessel may arrive, to put on board such ship or vessel one or more inspectors, who shall make known to the person having charge of such ship or vessel, the duties he is to perform by virtue of this act; and such inspector shall suffer no goods, wares, or merchandise, to be delivered without a permit from the proper officer authorizing the same, and shall enter in a book, to be by him kept for that purpose, the contents of each permit, specifying the marks and numbers of each package, and a description thereof, with the name of the person to whom such permit was granted; and if, at the expiration of fifteen working days after such ship or vessel shall begin to unload her cargo, there shall be found on board any goods, wares, or merchandise, the said inspector shall take possession thereof, and deliver them to the collector of the district, or to such person as he shall authorize or appoint on his behalf to receive the said goods, taking his receipt for the same, and giving a certificate to the person having command, describing the packages, with their marks and numbers, so taken: and as soon as any ship or vessel is entirely unladen, he shall, with the collector and naval officer, compare the account and entries

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he has made of the goods unladen from such ship or vessel with the manifest delivered to the collector, and if it appears that there are more goods than are specified in the said manifest, the same shall be endorsed thereon, with a description of the packages, their marks and numbers, or of such goods as may be in bulk, and the same shall be subscribed by such inspector, who is hereby directed to remain on board the said ship or vessel until she is discharged: *Provided always*, That the said limitation of fifteen days shall not extend to vessels laden with salt or coal; but if the master or owner of such vessels require longer time to discharge their cargoes, the wages of the inspector, for every day's attendance exceeding the said fifteen days, shall be paid by the master or owner. And if any goods, wares, or merchandise, subject to duty, shall be removed from the wharf or place where the same may be landed, before they shall be weighed or gauged, (as the case may be,) or without the consent of the collector, or other proper officer, all such goods, wares, and merchandise, so removed, shall be forfeited. All goods delivered to the collector in manner aforesaid, shall be kept at the charge and risk of the owner, for a term not exceeding nine months; and if within that time no claim can be made for the same, an appraisement thereof shall be made by two or more reputable merchants, and lodged with the collector, who shall sell the same at public auction, and pay the proceeds, retaining the duties and charges thereon, into the Treasury of the United States, there to remain for the use of the owner, who shall, upon due proof of his property, be entitled to receive the same; and this receipt or certificate of the collector shall exonerate the master or commander from all claim of the owner: *Provided*, That where entry shall have been duly made of such goods, the same shall not be appraised; and that where such goods are of a perishable nature, they shall be sold forthwith.

Sec. 16. *And be it further enacted*, That if any goods, wares, or merchandise, on which duties are payable, shall receive damage during the voyage, or shall not be accompanied with the original invoice of their cost, it shall be lawful for the collector to appoint one merchant, and the owner or consignee another, who, being sworn or affirmed by the collector, well and truly to appraise such goods, shall value them accordingly, and the duties upon such goods shall be estimated according to such valuation; and if any package, or any goods stowed in bulk, which shall have been entered as is herein before directed, shall not be duly delivered, or if any of the packages so entered shall not agree with the manifest, or if the manifest shall not agree with the delivery, in every such case the person having command shall forfeit and pay the sum of two hundred dollars, unless it shall appear that such disagreement was occasioned by unavoidable necessity or accident, and not with intention to defraud the revenue.

Sec. 17. *And be it further enacted*, That the

ad valorem rates of duty upon goods, wares, and merchandise, at the place of importation, shall be estimated by adding twenty per cent. to the actual cost thereof, if imported from the Cape of Good Hope, or from any place beyond the same, and ten per cent. on the actual cost thereof, if imported from any other place or country, exclusive of all charges.

Sec. 18. *And be it further enacted*, That all foreign coins and currencies shall be estimated according to the following rates: each pound sterling of Great Britain at four dollars forty-four cents; each livre tournois of France at eighteen cents and a half; each florin or guilder of the United Netherlands at thirty-nine cents; each mark banco of Hamburg at thirty-three cents and one-third; each rix-dollar of Denmark at one hundred cents; each rix-dollar of Sweden at one hundred cents; each ruble of Russia at one hundred cents; each real plate of Spain at ten cents; each milree of Portugal at one dollar and twenty-four cents; each pound sterling of Ireland at four dollars ten cents; each tale of China at one dollar forty-eight cents; each pagoda of India at one dollar ninety-four cents; each rupee of Bengal at fifty-five cents and a half; and all other denominations of money in value as near as may be to the said rates; and the invoices of all importations shall be made out in the currency of the place or country from whence the importation shall be made, and not otherwise.

Sec. 19. *And be it further enacted*, That all duties on goods, wares, and merchandise, imported, shall be paid by the importer, before a permit shall be granted for landing the same, unless the amount of such duties shall exceed fifty dollars, in which case it shall be at the option of the party making entry, to secure the same by bond, with one or more sufficient sureties, to be approved of by the collector, and made payable as followeth, to wit: For the duties upon all articles of West India produce, within four months; for the duties upon all Madeira wines, within twelve months; and for the duties upon all other goods, within six months; but in any case the party making entry shall be at liberty to deposit with the collector any part of the goods upon which such duties shall arise, of double the value, in the judgment of the collector, to secure the payment of the duties, with the charges; which deposit the collector shall accept in lieu of such bond and security, and shall safely keep the goods so deposited, at the expense and risk of the party, for the term for which such bond would have been given; at the expiration whereof, unless the said deposit shall have been redeemed by the payment of the duties, the said goods shall be sold at public sale, and as much as shall be necessary applied to the payment of the said duties, and the residue, after deducting the charges which have accrued, shall be paid to the owner or owners of such goods: *Provided always*, That where the amount of duties shall exceed fifty dollars, a discount shall be allowed for

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prompt payment, after the rate of ten per centum per annum on the amount of such excess: *And provided also*, That no person whose bond for the payment of duties is due and unsatisfied, shall be allowed a future credit with the collector, until such bond shall be fully paid or discharged.

Sec. 20. *And be it further enacted*, That all the duties imposed by law on the tonnage of any ship or vessel, shall be paid to the collector within ten days after entry made, and before such ship or vessel shall be permitted to clear out; the register of which ship or vessel, at the time of entry, shall be lodged in the office of the collector, and there remain until such clearance.

Sec. 21. *And be it further enacted*, That where any bond for the payment of duties shall not be satisfied on the day it became due, the collector shall prosecute for the recovery of the money due thereon, by action, or suit at law, in the proper court having cognizance therein; and in all cases of insolvency, or where any estate in the hands of executors or administrators, shall be insufficient to pay all the debts due from the deceased, the debt due to the United States on any such bonds shall be first satisfied.

Sec. 22. *And be it further enacted*, That when it shall appear that any goods, wares, or merchandise, of which entry shall have been made in the office of a collector, are not invoiced according to the actual cost thereof at the place of exportation, and that the difference was made with design to defraud the revenue, all such goods, wares, or merchandise, or the value thereof, to be recovered of the person making entry, shall be forfeited; and in any such case, or where the collector is suspicious of fraud, and that any such goods, wares, or merchandise, are not invoiced at a sum equal to that for which they have usually sold in the place or country from whence they were imported, it shall be the duty of such collector to take the said goods, wares, or merchandise, into his possession, and retain the same at the risk and expense of the owner or consignee thereof, until their value, at the time and place of importation, according to the principles for estimating the same, established by this act, shall be ascertained by two reputable merchants, mutually chosen by the said collector and owner or consignee, and the duties arising upon such valuation shall be first paid, or secured to be paid, as required by this act in other cases of importation.

Sec. 23. *And be it further enacted*, That it shall be lawful for the collector, or other officer of the customs, after entry made of any goods, wares, or merchandise, on suspicion of fraud, to open and examine, in the presence of two or more reputable merchants, any package or packages thereof; and if, upon such examination, they shall be found to agree with the entries, the officer making such seizure shall cause the same to be repacked, and delivered

to the owner or claimant forthwith, and the expense of such examination shall be paid by the collector, and allowed in the settlement of his accounts; but if any of the packages so examined be found to differ in their contents from the entry, and it shall appear that such difference hath been made with intention to defraud the revenue, then all the goods, wares, or merchandise, contained in such package or packages, shall be forfeited: *Provided always*, That if the owner or consignee of such goods as shall not be accompanied with the original invoice, should choose to wait the receipt of the invoice, in such case the collector shall take into his possession all such goods, wares, and merchandise, and store the same, at the expense and risk of the owner or consignee, until the invoice shall arrive, or until they agree to have the same valued.

Sec. 24. *And be it further enacted*, That every collector, naval officer, and surveyor, or other person specially appointed by either of them for that purpose, shall have full power and authority to enter any ship or vessel in which they shall have reason to suspect any goods, wares, or merchandise, subject to duty, shall be concealed, and therein to search for, seize, and secure, any such goods, wares, or merchandise; and if they shall have cause to suspect a concealment thereof, in any particular dwelling house, store, building, or other place, they, or either of them, shall, upon application, on oath or affirmation, to any justice of the peace, be entitled to a warrant, to enter such house, store, or other place, (in the day time only,) and there to search for such goods, and if any shall be found, to seize and secure the same for trial; and all such goods, wares, and merchandise, on which the duties shall not have been paid or secured, shall be forfeited.

Sec. 25. *And be it further enacted*, That all goods, wares, and merchandise, which shall be seized by virtue of this act, shall be put into and remain in the custody of the collector, until such proceedings shall be had, as by this act are required, to ascertain whether the same have been forfeited or not; and if it shall be adjudged that they are not forfeited, they shall be forthwith restored to the owner or owners, claimant or claimants thereof. And if any person or persons shall conceal or buy any goods, wares, or merchandise, knowing them to be liable to seizure by this act, such person or persons shall, on conviction thereof, forfeit and pay a sum double the value of the goods so concealed or purchased.

Sec. 26. *And be it further enacted*, That it shall be the duty of the several officers to be appointed or employed by virtue of this act, to make seizure of, and secure any ship or vessel, goods, wares, or merchandise, which shall be liable to seizure by virtue of this act, as well without as within their respective districts.

Sec. 27. *And be it further enacted*, That if any officer or other person, executing or aiding and assisting in the seizure of goods, shall be

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sued or molested for any thing done in virtue of the powers given by this act, or by virtue of a warrant granted by any judge or justice pursuant to law, such officer or other person may plead the general issue, and give this act in evidence; and if in such suit the plaintiff be nonsuited, or judgment pass against him, the defendant shall recover double cost; and in all actions, suits, or informations, to be brought, where any seizure shall be made pursuant to this act, if the property be claimed by any person, in every such case the onus probandi shall be upon such claimant; and if any person shall forcibly resist, prevent, or impede, any officer of the customs, or their deputies, or any person assisting them in the execution of their duty, such persons so offending shall, for every offence, be fined in a sum not exceeding four hundred dollars.

Sec. 28. *And be it further enacted*, That every collector, naval officer, and surveyor, shall, within three months after he enters upon the execution of his office, give bond, with one or more sufficient sureties, to be approved of by the Comptroller of the Treasury of the United States, and payable to the said United States, conditioned for the true and faithful discharge of the duties of his office according to law; that is to say, the collector of Philadelphia, in the sum of sixty thousand dollars; the collector of New York, fifty thousand dollars; the collector of Boston, forty thousand dollars; the collectors of Baltimore town and Charleston, thirty thousand dollars; the collector of Norfolk and Portsmouth, fifteen thousand dollars; the collectors of Portsmouth, in New Hampshire, of Salem and Beverly, Wilmington, Annapolis, Georgetown in Maryland, Bermuda Hundred and City Point, and Alexandria, ten thousand dollars each; the collectors of Newburyport, Gloucester, Marblehead, Plymouth, Nantucket, Portland and Falmouth, New London, New Haven, Fairfield, Perth Amboy, Chester, Oxford, Yorktown, Dumfries, Georgetown in South Carolina, Beaufort, and Savanna, each five thousand dollars; and all the other collectors in the sum of two thousand dollars each. The naval officers for the ports of Boston, New York, Philadelphia, Baltimore town, and Charleston, ten thousand dollars each; and all the other naval officers, in the sum of two thousand dollars each. The surveyors of the ports of Boston, New York, Philadelphia, Baltimore town, and Charleston, five thousand dollars each, and all other surveyors one thousand dollars each; which bonds shall be filed in the office of the said Comptroller, and be by him severally put in suit, for the benefit of the United States, upon any breach of the condition thereof.

Sec. 29. *And be it further enacted*, That there shall be allowed and paid to the collectors, naval officers, and surveyors, to be appointed pursuant to this act, the fees and per centage following, that is to say: to each collector, for every entrance of any ship or vessel of one

hundred tons burthen or upwards, two dollars and a half; for every clearance of any ship or vessel of one hundred tons burthen and upwards, two dollars and a half; for every entrance of any ship or vessel under the burthen of one hundred tons, one dollar and a half; for every clearance of a ship or vessel under one hundred tons burthen, one dollar and a half; for every permit to land goods, twenty cents; for every bond taken officially, forty cents; and for every permit to load goods for exportation, which are entitled to drawback, thirty cents; for every official certificate, twenty cents; for every bill of health, twenty cents; for every other official document (registers excepted) required by the owner or master of every vessel not before enumerated, twenty cents; and where a naval officer is appointed to the same port, the said fees shall be equally divided between the collector and the said naval officer, apportioning to each his moiety of the necessary expenses of stationary, and the rent of an office to be provided by the collector in the place of his residence, most convenient for the trade of the district, in which the said collector and naval officer shall each have at least one separate room; and the said fees shall be received by the collector, who shall settle the accounts monthly, and pay to the naval officer the balance which may be due to him on such monthly settlement. To each surveyor there shall be allowed, for all the services required by law, to be performed by such surveyor, on board any ship or vessel of one hundred tons and upwards, and having on board goods, wares, and merchandise, subject to duty, three dollars; for the like services on board any ship or vessel of less than one hundred tons burthen, having on board goods, wares, and merchandise, subject to duty, one and a half dollars; on all vessels not having on board goods, wares, and merchandise, subject to duty, two-thirds of a dollar; all which fees shall be paid to the collector by the master or owner of the ship or vessel in which the services are performed, and the said collector shall pay weekly to the surveyor the fees so received. To each inspector there shall be allowed for every day he shall be actually employed in aid of the customs, a sum not exceeding one dollar and twenty-five cents, to be paid by the collector out of the revenue, and charged to the public. To the measurers, weighers, and gaugers, respectively, for their services, shall be allowed, and paid by the collector out of the revenue, for the measurement of every one hundred bushels of salt, or grain, eighteen cents; for the measurement of every one hundred bushels of coal, twenty-five cents; for the weighing of every one hundred and twelve pounds, one cent; for the gauging of every cask, six cents. There shall, moreover, be allowed to the collectors at each of the following ports, to wit: Boston, Salem, and Beverly, New York, Philadelphia, Baltimore, Norfolk or Portsmouth, and Charleston, one half per centum on the amount of all moneys by



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them respectively received and paid into the Treasury of the United States; and to the collector at each of the other ports by this act established, one per centum on the amount of all moneys by them respectively received and paid into the Treasury of the United States. Every collector, naval officer, and surveyor, shall cause to be affixed and constantly kept in some public and conspicuous place of his office, a fair table of the rates of fees and duties demandable by law; and in case of failure herein, shall forfeit and pay one hundred dollars, to be recovered, with costs, in any court having cognizance thereof, to the use of the informer; and if any officer of the customs shall demand or receive any greater or other fee, compensation, or reward, for executing any duty or service required of him by law, he shall forfeit and pay two hundred dollars for each offence, recoverable in manner aforesaid, for the use of the party grieved.

Sec. 30. *And be it further enacted*, That the duties and fees to be collected by virtue of this act, shall be received in gold and silver coin only,\* at the following rates, that is to say: the gold coins of France, England, Spain, and Portugal, and all other gold coins of equal fineness, at eighty-nine cents for every pennyweight. The Mexican dollar at one hundred cents; the crown of France at one dollar and eleven cents; the crown of England at one dollar and eleven cents; and all silver coins, of equal fineness, at one dollar and eleven cents per ounce.

Sec. 31. *And be it further enacted*, That all the drawbacks allowed by law on the exportation of goods, wares, and merchandise, imported, shall be paid or allowed by the collector at whose office the said goods, wares, and merchandise, were originally entered, and notwithstanding, retaining one per centum for the benefit of the United States.

Sec. 32. *Provided always, and be it further enacted*, That no goods, wares, or merchandise, entitled to drawback, shall be reladen before an entry shall be made with the collector of the port from whence such goods are intended to be exported; which entry shall contain a particular account of the casks and packages, their marks, numbers, and contents, the cost thereof, the vessel or vessels in which they were imported, and the place or places imported from; and the person or persons intending to export such goods, shall give bond, with one or more sufficient sureties, that the same, or any part thereof, shall not be relanded in any port or place within the limits of the United States, as settled by the late treaty of peace; and shall, moreover, make oath or affirmation

as to the truth of the entry, that the goods, wares, or merchandise, are, in quantity, quality, and value, as therein expressed, according to the inward entry thereof, which entry was duly made at the time of importation, pursuant to the directions of this act, and that the quality is the same as at the time of importation; and the exporter of such goods shall not be entitled to draw back the duties, until at least six months after the exportation thereof, and until he shall produce to the collector, with whom such outward entry is made, a certificate in writing of two reputable merchants, at the foreign port or place in which the same were landed, together with the oath or affirmation of the master and mate of the vessel in which they were exported, certifying the delivery thereof; but in case any vessel shall be cast away, or meet with such unavoidable accidents as to prevent the landing such goods, a protest in due form of law, made by the master and mate, or some of the seamen, or in case no such protest can be had, then the oath or affirmation of the exporter shall be received in lieu of the other proofs herein directed, unless there shall be good reason to suspect the truth of such oath or affirmation, in which case it shall and may be lawful for the collector to require such further proof as the nature of the case may demand: *Provided, also*, That no goods, wares, or merchandise, imported, shall be entitled to a drawback of the duties paid or secured to be paid thereon, unless such duties shall amount to twenty dollars at least, nor unless they shall be exported in the same cask, package or packages, and from the port or district into which they were originally imported; and, moreover, shall be reladed under the inspection of the collector, naval officer, or surveyor of the port.

Sec. 33. *And be it further enacted*, That the sums allowed to be paid by law on the exportation of dried or pickled fish, and of salted provisions, shall be paid by the collector of the port or district from whence the same shall be exported: *Provided*, That due entry thereof shall be first made, and bonds given, as in case of drawbacks, and that no such allowance shall be made, unless it shall amount to three dollars, at least, upon any one entry.

Sec. 34. *And be it further enacted*, That if any goods, wares, or merchandise, entered for exportation with a view to draw back the duties, or to obtain any allowance given by law on the exportation thereof, shall be landed in any port or place within the limits of the United States as aforesaid, all such goods, wares, or merchandise, shall be subject to seizure and forfeiture, together with the vessels from which such goods shall be landed, and the vessels or boats used in landing the same, and all persons concerned therein shall, on indictment and conviction thereof, suffer imprisonment for a term not exceeding six months; and for discovery of frauds, and seizure of goods, wares, and merchandise, relanded contrary to law, the

\* By "An act to incorporate the subscribers to the Bank of the United States," approved on the 25th of February, 1791, the bills or notes of that institution, payable on demand, in gold and silver coin, were made receivable in all payments to the United States.

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several officers established by this act shall have the same powers, and in case of seizure the same proceedings shall be had, as in the case of goods, wares, and merchandise, imported contrary to law: and for measuring, weighing, or gauging goods for exportation, the same fees shall be allowed as in like cases upon the importation thereof.

Sec. 35. *And be it further enacted*, That if any officer of the customs shall, directly or indirectly, take or receive any bribe, reward, or recompense, for conniving, or shall connive at a false entry of any ship or vessel, or of any goods, wares, or merchandise, and shall be thereof convicted, every such officer shall forfeit and pay a sum not less than two hundred, nor more than two thousand dollars for each offence, and be forever disabled from holding any office of trust or profit under the United States; and any person giving or offering any bribe, recompense, or reward, for any such deception, collusion, or fraud, shall forfeit and pay a sum not less than two hundred nor more than two thousand dollars for each offence: and in all cases where an oath or affirmation is, by this act, required from a master or other person having command of a ship or vessel, or from an owner or consignee of goods, wares, and merchandise, if the person so swearing or affirming shall swear or affirm falsely, such person shall, on indictment and conviction thereof, be punished by fine or imprisonment, or both, in the discretion of the court before whom the conviction shall be had, so as the fine shall not exceed one thousand dollars, and the term of imprisonment shall not exceed twelve months.

Sec. 36. *And be it further enacted*, That all penalties accruing by any breach of this act, shall be sued for and recovered, with costs of suit, in the name of the United States, in any court proper to try the same, by the collector of the district where the same accrued, and not otherwise, unless in cases of penalty relating to an officer of the customs; and such collector shall be, and hereby is, authorized and directed, to sue for and prosecute the same to effect, and to distribute and pay the sum recovered, after first deducting all necessary costs and charges, according to law. And all ships or vessels, goods, wares, and merchandise, which shall become forfeit by virtue of this act, shall be seized, libelled, and prosecuted, as aforesaid, in the proper court having cognizance thereof; and the court shall cause fourteen days notice to be given of such seizure and libel, by causing the substance of such libel, with the order of the court thereon, setting forth the time and place appointed for trial, to be inserted in some public newspaper nearest the place of seizure, and also by posting up the same in the most public manner for the space of fourteen days, at or near the place of trial; and proclamation shall be made in such manner as the court shall direct; and if no person shall appear to claim such ship or vessel, goods, wares, or merchandise, the same shall be adjudged to

be forfeited; but if any person shall appear before such judgment of forfeiture, and claim any such ship or vessel, goods, wares, or merchandise, and shall give bond to defend the prosecution thereof, and to respond the cost in case he shall not support his claim, the court shall proceed to hear and determine the cause according to law. And upon the prayer of any claimant to the court, that any ship or vessel, goods, wares, or merchandises, so seized and prosecuted, or any part thereof should be delivered to such claimant, it shall be lawful for the court to appoint three proper persons to appraise such ship or vessel, goods, wares, or merchandise, who shall be sworn in open court for the faithful discharge of their duty; and such appraisement shall be made at the expense of the party on whose prayer it is granted; and on the return of such appraisement, if the claimant shall, with one or more sureties, to be approved of by the court, execute a bond in the usual form, to the United States, for the payment of a sum equal to the sum at which the ship or vessel, goods, wares, or merchandise, so prayed to be delivered, be appraised, the court shall, by rule order such ship or vessels, goods, wares, or merchandise, to be delivered to the said claimant, and the said bond shall be lodged with the proper officer of the court, and if judgment shall pass in favor of the claimant, the court shall cause the said bond to be cancelled; but if judgment shall pass against the claimant as to the whole or any part of such ship or vessel, goods, wares, or merchandise, and the claimant shall not, within twenty days thereafter, pay into the court the amount of the appraised value of such ship or vessel, goods, wares, or merchandise, so condemned, with the costs, the bond shall be put in suit. And when any prosecution shall be commenced on account of the seizure of any ship or vessel, goods, wares, or merchandise, and judgment shall be given for the claimant or claimants; if it shall appear to the court before whom such prosecution shall be tried, that there was a reasonable cause of seizure, the same court shall cause a proper certificate or entry to be made thereof, and in such case the claimant shall not be entitled to costs, nor shall the person who made the seizure, or the prosecutor, be liable to action, judgment, or suit, on account of such seizure or prosecution: *Provided*, That the ship or vessel, goods, wares, or merchandise, be, after judgment, forthwith returned to such claimant or claimants, his or their agents: *And, provided*, That no action or prosecution shall be maintained in any case under this act, unless the same shall have been commenced within three years next after the penalty or forfeiture was incurred.

Sec. 37. *And be it further enacted*, That all ships, vessels, goods, wares, or merchandise, which shall be condemned by virtue of this act, shall be sold by the proper officer of the court in which such condemnation shall be had, to the highest bidder at public auction, by order of such court, and at such place as the court

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may appoint, giving at least fifteen days notice (except in case of perishable goods) in one or more of the public newspapers of the place where such sale shall be, or if no paper is published in such place, in one or more of the papers published in the nearest place thereto.

Sec. 38. *And be it further enacted*, That all penalties, fines, and forfeitures, recovered by virtue of this act (and not otherwise appropriated,) shall, after deducting all proper costs and charges, be disposed of as follows: One moiety shall be for the use of the United States, and paid into the Treasury thereof; the other moiety shall be divided into three equal parts, and paid to the collector, naval officer, and surveyor, of the district wherein the same shall have been incurred; and in such districts where only two of the aforesaid officers shall have been established, the said moiety shall be equally divided between them; and in such districts where only one of the aforesaid officers shall have been established, the said moiety shall be given to such officer: *Provided, nevertheless*, That in all cases where such penalties, fines, and forfeitures, shall be recovered in pursuance of information given to such collector, by any person other than the said naval officer and surveyor, the one half of such moiety shall be given to the informer, and the remainder thereof shall be disposed of between the collector, naval officer, and surveyor, in manner and form as above limited and expressed.

*And, whereas*, The States of Rhode Island and Providence Plantations, and North Carolina, have not as yet ratified the present Constitution of the United States, by reason whereof this act doth not extend to the collecting of duties within either of the said two States, and it is thereby become necessary that the following provision, with respect to goods, wares, or merchandise, imported from either of the said two States, should, for the present, take place:

Sec. 39. *Be it therefore further enacted*, That all goods, wares, and merchandise, not of their own growth or manufacture, which shall be imported from either of the said two States of Rhode Island and Providence Plantations, or North Carolina, into any other port or place within the limits of the United States, as settled by the late treaty of peace, shall be subject to the like duties, seizures, and forfeitures, as goods, wares, or merchandise, imported from any State or country without the said limits.

Sec. 40. *And be it further enacted*, That no goods, wares, or merchandise, of foreign growth or manufacture, subject to the payment of duties, shall be brought into the United States in other manner than by sea, nor in any ship or vessel less than thirty tons burthen, except within the district of Louisville, and except also in such vessels as are now actually on their voyages, nor shall be landed or unladen at any other place than is by this act directed, under the penalty of seizure and forfeiture of all such vessels, goods, wares, or merchandise, brought in, landed or unladen in any other man-

ner. And all goods, wares, and merchandise, brought into the United States by land, contrary to this act, shall be forfeited, together with the carriages, horses, and oxen, that shall be employed in conveying the same.

Approved, July 31, 1789.

An Act for settling the accounts between the United States and individual States.

*Be it enacted, &c.* That the President of the United States be, and he hereby is empowered to nominate, and by and with the advice and consent of the Senate, to appoint such person or persons as he may think proper for supplying any vacancy that now is, or may hereafter take place in the Board of Commissioners, established by an ordinance of the late Congress, of the seventh of May, one thousand seven hundred and eighty-seven, to carry into effect the said ordinance and resolutions of Congress for the settlement of accounts between the United States and individual States.

Sec. 2. *And be it further enacted*, That the said Board of Commissioners be, and they hereby are empowered to appoint a chief clerk, and such other clerks as the duties of their office may require; and that the pay of the said chief clerk be six hundred dollars per annum, and of each other clerk four hundred dollars per annum.

Approved, August 5, 1789.

An Act to establish an Executive Department, to be denominated the Department of War.

*Be it enacted, &c.* That there shall be an executive department, to be denominated the Department of War; and that there shall be a principal officer therein to be called the Secretary for the Department of War, who shall perform and execute such duties as shall from time to time be enjoined on, or entrusted to him by the President of the United States, agreeably to the constitution, relative to military commissions, or to the land or naval forces, ships, or warlike stores of the United States, or to such other matters respecting military or naval affairs, as the President of the United States shall assign to the said Department, or relative to the granting of lands to persons entitled thereto, for military services rendered to the United States, or relative to Indian affairs. And, furthermore, that the said principal officer shall conduct the business of the said Department in such manner as the President of the United States shall from time to time order or instruct.

Sec. 2. *And be it further enacted*, That there shall be in the said Department an inferior officer, to be appointed by the said principal officer, to be employed therein as he shall deem proper, and to be called the chief clerk in the Department of War, and who, whenever the said principal officer shall be removed from office by the President of the United States, or

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in any other case of vacancy, shall, during such vacancy, have the charge and custody of all records, books, and papers, appertaining to the said Department.

Sec. 3. *And be it further enacted*, That the said principal officer, and every other person to be appointed or employed in the said Department shall, before he enters on the execution of his office or employment, take an oath or affirmation well and faithfully to execute the trust committed to him.

Sec. 4. *And be it further enacted*, That the Secretary for the Department of War, to be appointed in consequence of this act, shall forthwith, after his appointment, be entitled to have the custody and charge of all records, books, and papers, in the office of Secretary for the Department of War, heretofore established by the United States in Congress assembled.

Approved, August 7, 1789.

An Act to provide for the government of the Territory northwest of the river Ohio.

Whereas, in order that the ordinance of the United States in Congress assembled, for the government of the Territory northwest of the river Ohio may continue to have full effect, it is requisite that certain provisions should be made so as to adapt the same to the present Constitution of the United States:

*Be it enacted, &c.*, That in all cases in which, by the said ordinance, any information is to be given, or communication made by the Governor of the said Territory to the United States in Congress assembled, or to any of their officers, it shall be the duty of the said Governor to give such information and to make such communication to the President of the United States; and the President shall nominate, and by and with the advice and consent of the Senate shall appoint all officers which by the said ordinance were to have been appointed by the United States in Congress assembled, and all officers so appointed shall be commissioned by him; and in all cases where the United States in Congress assembled might, by the said ordinance, revoke any commission, or remove from any office, the President is hereby declared to have the same powers of revocation and removal.

Sec. 2. *And be it further enacted*, That in case of the death, removal, resignation, or necessary absence of the Governor of the said Territory, the Secretary thereof shall be, and he is hereby authorized and required to execute all the powers, and perform all the duties of the Governor, during the vacancy occasioned by the removal, resignation, or necessary absence of the said Governor.

Approved, August 7, 1789.

An Act for the establishment and support of light-houses, beacons, buoys, and public piers.

*Be it enacted, &c.*, That all expenses which shall accrue from and after the fifteenth day of

August, one thousand seven hundred and eighty-nine, in the necessary support, maintenance, and repairs of all light-houses, beacons, buoys, and, public piers, erected, placed, or sunk, before the passing of this act, at the entrance of, or within any bay, inlet, harbor, or port of the United States, for rendering the navigation thereof easy and safe, shall be defrayed out of the Treasury of the United States: *Provided, nevertheless*, That none of the said expenses shall continue to be so defrayed by the United States, after the expiration of one year from the day aforesaid, unless such light-houses, beacons, buoys, and public piers, shall in the meantime be ceded to and vested in the United States, by the State or States respectively in which the same may be, together with the land and tenements thereunto belonging, and together with the jurisdiction of the same.

Sec. 2. *And be it further enacted*, That a light-house shall be erected near the entrance of the Chesapeake bay, at such place, when ceded to the United States in manner aforesaid, as the President of the United States shall direct.

Sec. 3. *And be it further enacted*, That it shall be the duty of the Secretary of the Treasury to provide by contracts, which shall be approved by the President of the United States, for building a light-house near the entrance of Chesapeake bay, and for rebuilding when necessary, and keeping in good repair the light-houses, beacons, buoys, and public piers, in the several States, and for furnishing the same with all necessary supplies; and also to agree for the salaries, wages, or hire of the person or persons appointed by the President, for the superintendence and care of the same.

Sec. 4. *And be it further enacted*, That all pilots in the bays, inlets, rivers, harbors, and ports of the United States, shall continue to be regulated in conformity with the existing laws of the States respectively wherein such pilots may be, or with such laws as the States may respectively hereafter enact for the purpose, until further legislative provision shall be made by Congress.

Approved, August 7, 1789.

An Act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same.

*Be it enacted, &c.*, That a sum not exceeding twenty thousand dollars, arising from the duties on imports and tonnage, shall be and the same is hereby appropriated to defraying the expense of negotiating and treating with the Indian tribes.

Sec. 2. *And be it further enacted*, That each of the commissioners who may be appointed for managing such negotiations and treaties, shall be entitled to an allowance, exclusive of his expenses at the place of treaty, of eight dollars per day, during his actual service, to be paid out of the money so appropriated.

Approved, August 20, 1789.

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An act for registering and clearing vessels, regulating the coasting trade, and for other purposes.

*Be it enacted, &c.,* That any ship or vessel built within the United States, and belonging wholly to a citizen or citizens thereof, or not built within the said States, but, on the sixteenth day of May, one thousand seven hundred and eighty-nine, belonging, and thereafter continuing to belong, wholly to a citizen or citizens thereof, and of which the master is a citizen of the United States, and no other, may be registered in manner hereinafter provided, and being so registered, shall be deemed and taken to be, and denominated, a ship or vessel of the United States, and entitled to the benefits granted by any law of the United States to ships or vessels of the descriptions aforesaid.

*Sec. 2. And be it further enacted,* That the person or persons claiming property in any such ship or vessel, in order to entitle her to the benefits aforesaid, shall cause the same to be registered, and shall obtain a certificate of such registry from the collector of the district to which such ship or vessel belongs, in manner hereinafter directed, which certificate, attested by the Secretary of the Treasury, under his hand and seal, and countersigned by the collector, shall be in the form following, viz:

"In pursuance of an act of the Congress of the United States of America, entitled 'An act for registering and clearing vessels, regulating the coasting trade, and for other purposes,' [here insert the name, occupation, and residence, of the subscribing owner] having taken and subscribed the oath or affirmation required by the said act, and having sworn or affirmed that he, together with [names, occupation, and residence, of non-subscribing owners] is [or are] sole owner [or owners] of the ship [or vessel] called the [ship's name] of [place to which the ship or vessel belongs] whereof [master's name] is at present master, and is a citizen of the United States, and that the said ship [or vessel] was [when and where built] and [name of surveying officer] having certified to us that the said ship or vessel has [number of decks] and ——— masts, that her length is ———, her breadth ———, her depth ———, and that she measures ——— tons; that she is [here describe the vessel and how built] has ——— gallery and ——— head. And that the said subscribing owners having consented and agreed to the above description and measurement, and having caused sufficient security to be given, as is required by the said act, the said [kind of vessel and name] has been duly registered at the port of ———. Given under our hand and seals of office, at [port] this ——— day of ———, in the year [words at full length.] And the collector shall transmit to the Secretary of the Treasury a duplicate of every such certificate so granted. And it shall be the duty of the Secretary of the Treasury to transmit to the collectors of the several ports of the United States a sufficient number of certificates, attested under his hand and seal, leaving the

blanks to be filled up by the collectors respectively.

*Sec. 3. And be it further enacted,* That to ascertain the tonnage of all ships or vessels, the surveyor or other person appointed by the collector to measure the same, shall take the length of every vessel, if double decked, from the fore part of the main stem to the after part of the stern post above the upper deck, the breadth at the broadest part above the main wales, and half such breadth shall be accounted the depth of every double decked vessel; he shall then deduct from the length three-fifths of the breadth, multiply the remainder by the breadth, and the product by the depth, dividing the product of the whole by ninety-five, the quotient shall be deemed the true contents or tonnage of such ship or vessel. To ascertain the tonnage of every single decked vessel, he shall take the length and breadth, as is directed to be taken for double decked vessels, and deduct three-fifths, in like manner, and the depth from the under side of the deck plank to the ceiling in the hold, and shall multiply and divide as aforesaid, and the quotient shall be deemed the true contents or tonnage of such single decked vessel.

*Sec. 4. And be it further enacted,* That the port to which any such ship or vessel shall be deemed to belong, agreeably to the intent and meaning of this act, shall be the port at or near which the husband, or acting and managing owner or owners of such ship or vessel usually resides or reside; and the name of such ship or vessel, and of the place to which she belongs, shall be painted on her stern on a black ground, with white letters of not less than three inches in length.

*Sec. 5. And be it further enacted,* That no ship or vessel owned in whole or in part by any citizen of the United States, usually residing in any foreign country, shall, during the time he shall continue so to reside, be deemed a vessel of the United States, entitled to be registered by virtue of this act, unless he be an agent for, and partner in, some house or co-partnership, consisting of citizens of the United States actually carrying on trade in the said States.

*Sec. 6. And be it further enacted,* That no registry shall be made, or certificate granted, until the following oath or affirmation be taken and subscribed before the officer hereinbefore authorized to make such registry and grant such certificate, (which oath or affirmation such officer is hereby empowered to administer,) by the owner of such ship or vessel, if owned by one person only, or in case there shall be two or more owners, then by any one of such owners, namely:

"———, [place of residence and occupation] do swear or affirm, that the ship or vessel ——— of ——— [take the description from the certificate of the surveyor or other person authorized by this act] was built at ———, in the year ———, or was the entire property of

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— on the sixteenth day of May, one thousand seven hundred and eighty-nine, and hath continued to be the property of a citizen or citizens of the United States; that —, the present master, is a citizen of the United States, and that I, —, and [the other owners' names, occupation, and where they respectively reside, viz: town, place, county, and State, or if resident in a foreign country, being an agent for, and partner in any house or co-partnership] am, or are, sole owner or owners of the said ship or vessel, and that no other person whatever hath any property therein; and that I, the said —, [and the said owners, if any] am, or are, truly a citizen of the United States, and that no foreigner, directly or indirectly, hath any part or interest in the said ship or vessel."

Sec. 7. *Provided always, and be it further enacted,* That whenever the owner or owners of such ship or vessel usually resides or reside out of the district within which such ship or vessel may be at the time of granting the certificate of registry, that such owner, or where there are two or more owners, any one of them may take and subscribe the said oath or affirmation, before the collector of the district within which he usually resides, omitting in the said oath or affirmation the description of such ship or vessel as expressed in the certificate of the surveyor, and inserting in lieu thereof the name of the port and district within which such ship or vessel may then be; and the collector, before whom such oath or affirmation may be taken and subscribed, shall transmit the same to the collector of the district where such ship or vessel may be, upon the receipt whereof the said collector shall proceed to register such ship or vessel in like manner as though the usual and regular oath or affirmation had been taken and subscribed before him.

Sec. 8. *And be it further enacted,* That the surveyor or other person to be appointed in pursuance of this act, shall, previous to the registering or granting of any certificate of registry, as aforesaid, examine and measure such ship or vessel, as to all and every particular contained in the form of the certificate aforesaid, in the presence of the master, or of any other person to be appointed for that purpose on the part of the owner or owners, and shall deliver a just and true account in writing of the built, description, and measurement, of every such ship or vessel, as are specified in the form of the certificate above recited, to the person authorized as aforesaid to make such registry and grant such certificate thereof; and the said master or other person attending on the part of the owner or owners, is hereby required to sign his name also to the certificate of the surveying or examining officer or other person duly appointed, in testimony of the truth thereof, provided such master or other person shall agree to the several particulars therein set forth and described.

Sec. 9. *And be it further enacted,* That when the certificate of registry aforesaid shall be

granted, sufficient security, by bond, shall be given to the collector in behalf of the United States, by the master and owner or owners, or by some other person or persons, on his, her, or their behalf, such security to be approved of by the collector, in the penalties following: that is to say, if such ship or vessel shall be above the burthen of fifteen, and not exceeding fifty tons, in the penalty of four hundred dollars; if exceeding the burthen of fifty tons, and not exceeding one hundred tons, in the penalty of eight hundred dollars; if exceeding the burthen of one hundred tons, and not exceeding two hundred tons, in the penalty of twelve hundred dollars; if exceeding the burthen of two hundred tons, and not exceeding three hundred tons, in the penalty of sixteen hundred dollars; and if exceeding the burthen of three hundred tons, in the penalty of two thousand dollars. And the condition of every such bond shall be, that such certificate shall not be sold, lent, or otherwise disposed of, to any person or persons whomsoever, and that the same shall be solely used for the ship or vessel to which it is granted; and that in case such ship or vessel shall be lost or taken by an enemy, burnt, or broken up, or otherwise prevented from returning to the port to which she belongs, the certificate, if preserved, shall be delivered up within three months after the arrival of the master in any port or place in the United States, to the collector of the district where he shall arrive; and that if any foreigner, or any person or persons for his use and benefit, shall purchase or otherwise become entitled to the whole or any part or share of, or interest in, such ship or vessel, and the same shall be within any district of the United States, in such case the certificate of registry shall, within seven days after such purchase or transfer of property in such ship or vessel, be delivered up to the collector of the said district; and in case such ship or vessel shall be in any foreign port or place, or at sea, when such transfer of interest or property shall take place, the said master shall, within eight days after his arrival in any port or place within the United States, deliver up the said certificate to the collector of the district where he shall arrive; and all the certificates so delivered up, shall be forthwith transmitted by the collector to the Secretary of the Treasury, to be cancelled.

Sec. 10. *And be it further enacted,* That whenever any ship or vessel, registered in conformity with this act, shall, in whole or in part, be sold or transferred to a citizen or citizens of the United States, the former certificate of registry shall be delivered up to the collector, and by him, without delay, transmitted to the Secretary of the Treasury, to be cancelled; and such ship or vessel shall be registered anew by her former name, and a certificate thereof shall be granted by the collector in like manner as is herein before directed.

Sec. 11. *And be it further enacted,* That whenever any such ship or vessel shall, in whole or in part, be sold or transferred to any person



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or persons, the certificate of the registry of every such ship or vessel shall be recited at length in the instrument of transfer or sale thereof, and in default thereof such instrument of sale or transfer shall be void, and that such ship or vessel shall not be deemed or denominated a ship or vessel entitled to any of the benefits or advantages of a ship or vessel of the United States.

Sec. 12. *And be it further enacted*, That whenever the master or other person having the charge or command of any ship or vessel, registered in the manner hereinbefore directed, shall be changed, the master or owner of such ship or vessel shall deliver to the collector of the district where such change shall take place the certificate of registry of such ship or vessel, who shall thereon endorse and subscribe a memorandum of such change, and forthwith give notice of the same to the collector of the district where such ship or vessel was last registered pursuant to this act, who shall likewise make a memorandum of the same in the book of registers, and transmit a copy thereof to the Secretary of the Treasury.

Sec. 13. *And be it further enacted*, That if the certificate of registry of any ship or vessel shall be lost or destroyed, the master or other person having charge of the said ship or vessel, may make oath or affirmation before the collector of the district where such ship or vessel may arrive, who is hereby authorized to administer the same in the words and form following:

I, ———, being master, or having charge of the ship or vessel called the ———, do swear or affirm, that the said ship or vessel hath been, as I verily believe, registered according to law by the name of ———, and that a certificate thereof was granted at the port ———, but that the same is lost or destroyed, (as the case may be,) and that the same, if found again, and comes again within my power, shall be delivered up to the collector of the port where it was granted; and that the master of said ship or vessel is a citizen of the United States, and that the said ship or vessel is, as I believe, the entire property of a citizen or citizens of the United States, and that no foreigner has, to my knowledge and belief, any property or interest therein; and the said oath or affirmation shall be filed in the office of the said collector before whom it was made, who is hereby required to register the said vessel anew, by her former name, and take the security in manner hereinbefore directed, and deliver the certificate of such registry to the owner or owners, if residing within his district, or, if not resident there, to the master or other person having charge of said ship or vessel, that such certificate of registry is granted in pursuance of this act, instead of a former certificate of registry, which appears by such proof as this act requires to be lost; and such certificate of registry shall have the same effect with the original, and the said collector shall, within three months, transmit a

duplicate of the said certificate to the Secretary of the Treasury, to be registered in his office, who shall notify the collector who granted the certificate which was lost or destroyed, of the same, who is hereby required to cause a memorandum thereof to be made in his book of registers.

Sec. 14. *And be it further enacted*, That if any ship or vessel, after having been registered in pursuance of this act, shall, in any manner whatever, be altered in form or burthen, by being lengthened or built upon, or from one denomination to another, by the mode or method of rigging or fitting, in such case such vessel shall be registered anew, by her former name, in manner hereinfore directed, as soon as she returns to the port to which she belongs, or to any other port in which she may be lawfully registered by virtue of this act; otherwise such ship or vessel shall not be deemed and considered as a ship or vessel of the United States.

Sec. 15. *And be it further enacted*, That the collector of every district where registers shall be made and certificates granted in pursuance of this act, shall progressively number the same as they shall be severally granted, beginning at the time when this act shall be in force, and continuing to the end of the present year, and thenceforth beginning at the commencement of every year, and shall enter an exact copy of every such certificate, with the number thereof, in a book to be kept for that purpose; and shall, within three months, transmit to the Secretary of the Treasury a true copy, together with the number of every certificate which shall be by him so granted.

Sec. 16. *And be it further enacted*, That every ship or vessel built in the United States after the fifteenth day of August, one thousand seven hundred and eighty-nine, and belonging wholly or in part to the subjects of foreign Powers, shall be recorded in the office of the collector of the district in which such ship or vessel was built, in manner following, that is to say: The builder of every such ship or vessel shall make oath or affirmation before the collector of such district, who is hereby authorized to administer such oath in manner following: I, ———, of [here insert the place of residence, county, and State] shipwright, do swear or affirm, that [here designate the kind of vessel] named ———, having [number of decks] and being in length ———, in breadth ———, in depth ———, and measuring ——— tons, having ——— galley and ——— head, was built by me, or under my direction, at [place, county, and State] in the United States, in the year ———, which oath or affirmation shall be recorded in manner hereinbefore directed, in a book to be kept for that purpose.

Sec. 17. *And be it further enacted*, That a certificate of the said record, attested under the hand and seal of the collector of the district as aforesaid, shall be granted to the master of every such ship or vessel in manner fol-

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lowing: "In pursuance of an act entitled "An act —, I, —, collector of the district of — in the United States, do certify, that the builder [name] of [place of residence, county, and State] having sworn or affirmed that the ship or vessel [here designate the kind of vessel] named —, whereof — is at present master, was built at [place, county, and State, where built] by him or under his direction, in the year —, and [here insert the name of the surveyor, or other person appointed by the collector, where there is no surveyor] having certified that the said ship or vessel has [numbers of decks,] is in length —, in breadth —, in depth —, and measures — tons; and the said builder and master having agreed to the said description and measurement, the said ship or vessel has been recorded in the district of —, in the United States. Witness my hand and seal this — day of —, in the year —," which certificate shall be recorded in the office of the collector, and a duplicate thereof transmitted to the Secretary of the Treasury of the United States to be recorded in his office.

Sec. 18. *And be it further enacted*, That the surveyor or other person to be appointed by the collector as aforesaid, is hereby required to deliver a true account in writing, signed with his name, of the built, description and measurement, of every such ship or vessel, as specified in the form of the said certificate of record, of such ships or vessels, which account shall also be signed by the master to the collector of the district where such certificate of the record shall be granted.

Sec. 19. *And be it further enacted*, That if the master or the name of any ship or vessel so recorded shall be changed, the owner, part owner, or consignee, of such ship or vessel, shall cause a memorandum thereof to be endorsed on the certificate of the record by the collector of the district where such ship or vessel may be, or at which she shall arrive, if such change took place in a foreign country, and a copy thereof shall be entered in the book of records, a transcript whereof shall be transmitted by the collector to the collector of the district where such certificate was granted, who shall enter the same in his book of records, and forward a duplicate of such entry to the Secretary of the Treasury of the United States; and in such case, until the said owner, part owner, or consignee, shall cause the said memorandum to be made by the collector in manner aforesaid, such ship or vessel shall not be deemed or considered as a vessel recorded in pursuance of this act.

Sec. 20. *And be it further enacted*, That the master or other person having command of any ship or vessel recorded in pursuance of this act, shall, on entry of such ship or vessel, produce the certificate of such record to the collector of the district, in failure of which the said ship or vessel shall not be entitled to the privileges of a vessel recorded as aforesaid.

Sec. 21. *And be it further enacted*, That all the penalties and forfeitures inflicted and incurred by this act, shall and may be sued for, prosecuted, and recovered, in such courts, and be disposed of in such manner as any penalties or forfeitures inflicted, or which may be incurred, for any offence committed against the United States, in and by an act entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States," may legally be sued for, prosecuted, recovered, and disposed of.

Sec. 22. *And be it further enacted*, That from and after the tenth day of September next, every ship or vessel of the burthen of twenty tons or upwards, built within the United States, and wholly owned by a citizen or citizens thereof; or not built within the United States, and on the sixteenth day of May, one thousand seven hundred and eight-nine, wholly owned, and thereafter continuing to be owned, by a citizen or citizens of the United States, but not registered, if destined from district to district, or to the bank or whale fisheries, shall, in order to be entitled to all the privileges of a ship or vessel belonging to the United States, employed in the coasting trade or in the fisheries, be enrolled by the collector of the district where the owner or one of the owners of such vessel may reside, and every vessel so enrolled shall have her name and the name of the place to which she belongs painted on her stern, in manner directed by this act for registered vessels, and such collector, on due proof, by oath or affirmation, to him made, by the owner or one of the owners of such ship or vessel, of her name, burthen, and denomination, and that she is of the description aforesaid, and of the names of the owner or owners, and of the master thereof, and that they are citizens of the United States, and of the place or places of residence of such owner or owners, shall enrol, in a book to be kept for that purpose, the name of every such vessel, her burthen, where built, and denomination, the name or names, and place or places of residence of the owner or owners thereof, and that he or they, together with the master, are citizens of the United States; a description of the built of such vessel as aforesaid, and the date of the enrolment, and shall also grant to the owner or owners a certificate containing a copy of such enrolment, and transmit to the Secretary of the Treasury a copy of every such certificate of enrolment, to be by him recorded. And whenever the property of such ship or vessel shall be changed, in whole or in part, the person or persons who shall then be owner or owners, or one of them, shall make known such change to the collector of the district where he or they may reside, and such collector is hereby authorized and directed to grant a new certificate of the enrolment of such ship or vessel, by her former name, to such owner or owners, upon his or their delivering up the former certificate, which shall be sent to the

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office of the collector from whence it was issued, to be cancelled: *Provided*, That the master or owner of every vessel of less than twenty tons burthen, and not less than five tons, which shall be employed between any of the districts in the United States, shall cause the name of such vessel and of the place to which she belongs to be painted on her stern, in manner directed by this act for registered vessels, and shall annually procure a license from the collector of the district to which such vessel belongs, who is hereby authorized to give the same, purporting that such vessel is exempt from clearing and entering for the term of one year from the date thereof; and the master or owner of every such vessel shall give bond, with sufficient security, for the payment of two hundred dollars to the United States, with condition that such vessels shall not be employed in any illicit trade or commerce; and before any new license shall be given for a succeeding year to the master of such vessel, he shall, on oath or affirmation, declare that no illicit trade has been carried on in such vessel, to his knowledge or belief, during the time for which she was licensed.

Sec. 23. *And be it further enacted*, That the master, commander, or owner, of every ship or vessel of the burthen of twenty tons or upwards, to be employed in trade between different districts in the United States, and of every vessel to be employed in the bank or whale fisheries, having a certificate of registry or enrolment as herein directed, shall, upon application to the collector of the district where such vessel may lie, be entitled to receive a license to trade between the different districts in the United States, or to carry on the bank or whale fishery for one year, and it shall be the duty of the collector to grant the same; but no license shall be granted for any vessel until the owner or owners applying therefor shall have paid the tonnage duty thereon, and shall enter into bond, with sufficient security, for the payment of one thousand dollars to the United States, with condition that such vessel shall not, within the time for which such license was granted, be employed in any illicit trade or commerce. And if any vessel of the burthen of twenty tons or upwards not having a certificate of registry or enrolment and a license, shall be found trading between different districts, or be employed in the bank or whale fisheries, every such ship or vessel shall be subject to the same tonnage and fees as foreign ships or vessels.

Sec. 24. *And be it further enacted*, That the master or commander of every ship or vessel bound to any foreign port, shall deliver to the collector of the district where such ship or vessel may be, a manifest of the cargo on board such ship or vessel, and on making oath or affirmation to the truth thereof, it shall be the duty of the said collector to grant a clearance for such ship or vessel and her loading; and if any ship or vessel, bound to any foreign port,

shall depart from the place of her loading without such clearance, the master, commander, consignee, or owner thereof, shall forfeit and pay the sum of two hundred dollars for every such offence.

Sec. 25. *And be it further enacted*, That the master of every ship or vessel of the burthen of twenty tons or upwards, licensed to trade between the different districts of the United States, having on board goods, wares, or merchandise, of foreign growth or manufacture, of the value of two hundred dollars, or rum or other ardent spirits, exceeding four hundred gallons, and being bound from one district to another, shall deliver to the collector, and where the collector and surveyor reside at different places within the same district, to the collector or surveyor, as the one or the other may reside at or nearest to the port where such ship or vessel may be, duplicate manifests of the whole cargo on board such ship or vessel, whether such cargo shall consist wholly of goods, wares, or merchandise, of foreign growth or manufacture, or partly of such goods, wares, or merchandise, and partly of goods, wares, or merchandise, the growth or manufacture of the United States, specifying therein the name and place of residence of every shipper and consignee, together with the quantity of goods, wares, or merchandise, shipped by and to each; and upon the oath or affirmation of the said master, before the said collector or surveyor, to the truth of such manifest, and that he doth not know, and hath no reason to believe, that the revenue of the United States has been defrauded of any part of the duties imposed by law upon the importations of any of the goods, wares, or merchandise, contained in the said manifest, it shall be the duty of such collector or surveyor to return to the said master one of the said manifests, first certifying thereon that the same had been sworn or affirmed to, and delivered to him according to law; and also to grant to the said master a permit, authorizing such ship or vessel to proceed to the place of her destination.

*So always, and provided*, That where goods, wares, or merchandises, of foreign growth or manufacture, are to be transported to and from the respective ports of Philadelphia and Baltimore unto each other, through and across the State of Delaware, a manifest, certified as aforesaid, by the officers of that one of the said ports from whence the same goods, wares, or merchandises, are to be so transported, shall be sufficient to warrant the transportation thereof to the other of the said ports, without an intermediate entry in the district of Delaware.

*Provided always*, That no master of any ship or vessel, licensed to trade as aforesaid, having on board goods, wares, or merchandise, of the growth or manufacture of the United States only, rum and other ardent spirits, exceeding four hundred gallons, excepted, and being bound from one district to another in the same State, or from a district in one State to a

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district in the next adjoining State, shall be obliged to deliver duplicate manifests, or to apply for a permit as aforesaid; but any such master may in such case lawfully proceed to any other district in the same State, or in the next adjoining State, freely and without interruption.

Sec. 26. *And be it further enacted*, That the master of every ship or vessel of the burthen of twenty tons or upwards, licensed to trade as aforesaid, having on board goods, wares, or merchandise, of the growth or manufacture of the United States only, and being bound from a district in one State to a district in any other than an adjoining State, shall deliver to the collector, or where the collector and surveyor reside at different places within the same district, to the collector or surveyor, as the one or the other may reside at or nearest to the port where such ship or vessel may be, duplicate manifests of the whole cargo on board such ship or vessel, specifying therein the name and place of residence of every shipper and consignee, together with the quantity of goods, wares, or merchandise, shipped by and to each. And upon the oath or affirmation of the said master, before the said collector or surveyor, to the truth of such manifest, it shall be the duty of such collector or surveyor to return to the said master one of the said manifests, first certifying thereon that the same had been sworn or affirmed to and delivered to him according to law; and also to grant to the said master a permit, authorizing such ship or vessel to proceed to the place of her destination.

Sec. 27. *And be it further enacted*, That the master of every ship or vessel of the burthen of twenty tons or upwards, licensed to trade as aforesaid, not having on board rum or other ardent spirits, exceeding four hundred gallons, and arriving from one district to another in the same State, or from a district in one State to a district in the next adjoining State, with goods, wares, or merchandise, of the growth or manufacture of the United States only, shall, within twenty-four hours, Sundays excepted, next after his arrival at any place or port where a collector or surveyor resides, and before any part of the cargo on board such ship or vessel be landed or unloaded, deliver to such collector or surveyor a manifest thereof, and shall make oath or affirmation, before such collector or surveyor, that such manifest contains a true account of all the goods, wares, and merchandise, on board such ship or vessel, and thereupon shall receive from such collector or surveyor a permit to land or unload the same.

Sec. 28. *And be it further enacted*, That in all other cases the master of every vessel of the burthen of twenty tons or upwards, licensed to trade as aforesaid, shall, within twenty-four hours (Sundays excepted) next after his arrival at any port or place within the United States, where a collector or surveyor resides, and before any part of the cargo on board any such ship or vessel be landed or unloaded, deliver to such collec-

tor or surveyor the manifest thereof, authenticated before, and received from, the collector or surveyor of the port or place where the said cargo was taken on board, together with his permit to depart from the place of lading, whereupon it shall be the duty of such collector or surveyor to grant a permit to land or unload such cargo.

Sec. 29. *And be it further enacted*, That if the master of any ship or vessel of the burthen of twenty tons or upwards, licensed to trade as aforesaid, and having on board goods, wares, or merchandise, of the value of two hundred dollars or upwards, shall depart with the said ship or vessel from any port, with intent to go to another district, without such manifest and permit, except as is hereinafter provided, the master or owner of such ship or vessel shall forfeit and pay the sum of four hundred dollars for every such offence; and all goods, wares, and merchandise, of the value of two hundred dollars or upwards, which shall be found on board any such ship or vessel, after her departure from the port where the same were taken on board, without being contained in, accompanied with, such manifest as is hereinbefore directed, except as is hereinafter excepted, shall be subject to seizure and forfeiture.

*Provided always*, That nothing herein contained shall be construed to subject the master or owner of any ship or vessel licensed to trade as aforesaid, having on board goods, wares, and merchandise, of the growth and manufacture of the United States only, rum and other ardent spirits, exceeding four hundred gallons, excepted, and bound from district to district in the same State, or from a district in one State to a district in the next adjoining State, to any penalty for having departed from the port of loading without such permit and manifest, or to subject the said goods on board such ship or vessel to seizure or forfeiture, in case they are not accompanied with a manifest as aforesaid.

Sec. 30. *And be it further enacted*, That if any ship or vessel having a license to trade or fish for one year, shall, within that time, be destined to any foreign port, the master or commander of every such ship or vessel shall, before he departs from the United States, deliver such license to the collector of the port from whence he intends to depart; and it shall be the duty of such collector forthwith to transmit the license, to him so delivered, to the collector of the district where the same was granted, who shall thereupon cancel every license; and if any master or commander shall neglect or refuse to deliver up such license before he depart from the United States, he shall forfeit and pay the sum of one hundred dollars for every such neglect or refusal.

Sec. 31. *And be it further enacted*, That the fees and allowances for the several duties to be performed in virtue of this act, and the distribution of the same, shall be as follows, to wit:

For the first register or certificate of record

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granted for every ship or vessel, there shall be paid to the collector granting the same, the sum of two dollars;

For every subsequent one, one dollar and fifty cents;

For every certificate of enrolment, fifty cents;

For every license to trade between the different districts of the United States, or to carry on the bank or whale fishery for one year, fifty cents;

For every entry of inward cargo directed to be made in conformity with this act, and for receiving of, and qualifying to, every manifest of vessels licensed to trade as aforesaid, sixty cents;

For a permit to land goods of foreign growth or manufacture, twenty cents;

For every permit to proceed to the place of destination, twenty-five cents;

And for taking every bond required by this act, twenty cents.

The whole amount of which fees shall be accounted for by the collector; and where there is a collector, naval officer, and surveyor, shall be equally divided between the said officers; and where there is no naval officer, between the collector and surveyor; and where there is only a collector, he shall receive the whole amount thereof; and where there is more than one surveyor in any district, each of them shall receive his proportionable part of such fees as shall arise in the port for which he is appointed: *Provided always*, That in all cases where the tonnage of any ship or vessel shall be ascertained by any person specially appointed for that purpose, as is hereinbefore directed, that such person shall be allowed and paid by the collector a reasonable compensation for the same, out of the fees aforesaid, before any distribution thereof as aforesaid.

Sec. 32. *And be it further enacted*, That in every case where the collector is, by this act, directed to grant any license, certificate, permit, or other document, the naval officer, if there be one residing at the port, shall sign the name.

Sec. 33. *And be it further enacted*, That in every case where a forfeiture of any ship or vessel, or of any goods, wares, or merchandise, shall accrue, it shall be the duty of the collector or other proper officer, who shall give notice of the sale of such ship or vessel, or of such goods, wares, or merchandise, to insert, in the same advertisement, the name or names, and the place or places of residence, of the person or persons to whom any such ship or vessel, goods, wares or merchandise, belonged or were consigned at the time of such seizure.

Sec. 34. *And be it further enacted*, That every collector who shall knowingly make any false registry, record, or enrolment, of any ship or vessel; and every officer or person appointed as is herein provided, who shall make any false record, or grant any false certificate, or any document whatever, in any manner that shall not be herein prescribed, or that shall be con-

trary to the true intent and meaning of this act, or shall take any other or greater fees than are by this act allowed, or receive any other reward or gratuity, contrary to the provisions of this act; and every surveyor or other person appointed to measure ships or vessels, who shall wilfully deliver to any collector or naval officer a false description of any ship or vessel to be registered, recorded, or enrolled, in pursuance of this act, shall, upon conviction of any such neglect or offence, forfeit the sum of one thousand dollars, and be rendered incapable of serving in any office of trust or profit under the United States; and if any person or persons, authorized and required by this act, in respect of his or their office or offices, to perform any act or thing required to be done or performed, pursuant to any of the provisions of this act, and wilfully neglecting or refusing to do or perform the same, according to the true intent and meaning of this act, shall, on being duly convicted thereof, if not subject to the penalty and disqualification aforesaid, forfeit the sum of five hundred dollars for the first offence, and a like sum for the second offence, and shall, from thenceforward, be rendered incapable of holding any office of trust or profit under the United States.

Sec. 35. *And be it further enacted*, That if any certificate of registry, record, or enrolment, shall be fraudulently used for any ship or vessel not entitled to the same by this act, such ship or vessel shall be forfeited to the United States, with her tackle, apparel, and furniture.

Sec. 36. *And be it further enacted*, That if any person or persons shall falsely make oath or affirmation to any of the matters herein required to be verified, such person or persons shall suffer the like pains and penalties as shall be incurred by persons committing wilful and corrupt perjury; and that if any person or persons shall forge, counterfeit, erase, alter, or falsify, any certificate, register, license, permit, or other document, mentioned in this act, or to be granted by any officer of the customs, such person or persons shall, for every such offence, forfeit the sum of five hundred dollars.

Sec. 37. *And whereas*, By an act entitled "An act for laying a duty on goods, wares, and merchandises, imported into the United States," it is provided, that there shall be allowed or paid five cents on every quintal of dried fish, and on every barrel of pickled fish, and of salted provisions, exported from the United States to any country without the limits thereof, in lieu of the drawback of the duties imposed on the importation of the salt employed and expended therein; and there are now large quantities of salt within the United States, imported before any duties were laid for the use of the said United States:

*Be it enacted*, That no allowance shall be made by any collector for any dried or pickled fish, or for any salted provisions, which shall be exported from the United States prior to

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the last day of May, one thousand seven hundred and ninety.

Approved, September 1, 1789.

An Act to establish the Treasury Department.

*Be it enacted, &c.,* That there shall be a Department of Treasury, in which shall be the following officers, namely: A Secretary of the Treasury, to be deemed head of the Department, a Comptroller, an Auditor, a Treasurer, a Register, and an assistant to the Secretary of the Treasury, which assistant shall be appointed by the said Secretary.

Sec. 2. *And be it further enacted,* That it shall be the duty of the Secretary of the Treasury to digest and prepare plans for the improvement and management of the revenue, and for the support of public credit; to prepare and report estimates of the public revenue and the public expenditures; to superintend the collection of the revenue; to decide on the forms of keeping and stating accounts and making returns, and to grant under the limitations herein established, or to be hereafter provided, all warrants for moneys to be issued from the Treasury, in pursuance of appropriations by law; to execute such services relative to the sale of the lands belonging to the United States as may be by law required of him; to make report and give information to either branch of the Legislature, in person or in writing, (as he may be required,) respecting all matters referred to him by the Senate or House of Representatives, or which shall appertain to his office; and generally to perform all such services relative to the finances as he shall be directed to perform.

Sec. 3. *And be it further enacted,* That it shall be the duty of the Comptroller to superintend the adjustment and preservation of the public accounts; to examine all accounts settled by the Auditor, and certify the balances arising thereon to the Register; to countersign all warrants drawn by the Secretary of the Treasury which shall be warranted by law; to report to the Secretary the official forms of all papers to be issued in the different offices for collecting the public revenue, and the manner and form of keeping and stating the accounts of the several persons employed therein. He shall moreover provide for the regular and punctual payment of all moneys which may be collected, and shall direct prosecutions for all delinquencies of officers of the revenue, and for debts that are or shall be due to the United States.

Sec. 4. *And be it further enacted,* That it shall be the duty of the Treasurer to receive and keep the moneys of the United States, and to disburse the same upon warrants drawn by the Secretary of the Treasury, countersigned by the Comptroller, recorded by the Register, and not otherwise. He shall take receipts for all moneys paid by him, and all receipts for moneys received by him shall be endorsed upon

warrants signed by the Secretary of the Treasury, without which warrant so signed, no acknowledgment for money received into the public Treasury shall be valid. And the said Treasurer shall render his accounts to the Comptroller quarterly, (or oftener if required,) and shall transmit a copy thereof, when settled, to the Secretary of the Treasury. He shall, moreover, on the third day of every session of Congress, lay before the Senate and House of Representatives fair and accurate copies of all accounts by him from time to time rendered to, and settled with the Comptroller as aforesaid, as also a true and perfect account of the state of the Treasury. He shall at all times submit to the Secretary of the Treasury, and the Comptroller, or either of them, the inspection of the moneys in his hands; and shall, prior to the entering upon the duties of his office, give bond, with sufficient sureties, to be approved by the Secretary of the Treasury and Comptroller, in the sum of one hundred and fifty thousand dollars, payable to the United States, with condition for the faithful performance of the duties of his office, and for the fidelity of the persons to be by him employed, which bond shall be lodged in the office of the Comptroller of the Treasury of the United States.

Sec. 5. *And be it further enacted,* That it shall be the duty of the Auditor to receive all public accounts, and after examination to certify the balance, and transmit the accounts with the vouchers and certificate to the Comptroller for his decision thereon: *Provided,* That if any person whose account shall be so audited, be dissatisfied therewith, he may within six months appeal to the Comptroller against such settlement.

Sec. 6. *And be it further enacted,* That it shall be the duty of the Register to keep all accounts of the receipts and expenditures of the public money, and of all debts due to or from the United States; to receive from the Comptroller the accounts which shall have been finally adjusted, and to preserve such accounts with their vouchers and certificates; to record all warrants for the receipt or payment of moneys at the Treasury, certify the same thereon, and to transmit to the Secretary of the Treasury copies of the certificates of balances of accounts adjusted as is herein directed.

Sec. 7. *And be it further enacted,* That whenever the Secretary shall be removed from office by the President of the United States, or in any other case of vacancy in the office of Secretary, the assistant shall, during the vacancy, have the charge and custody of the records, books, and papers, appertaining to the said office.

Sec. 8. *And be it further enacted,* That no person appointed to any office instituted by this act, shall directly or indirectly be concerned or interested in carrying on the business of trade or commerce, or be owner in whole or in part of any sea vessel, or purchase by himself, or another in trust for him, any public lands or other public property, or be concerned in the



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purchase or disposal of any public securities of any State, or of the United States, or take or apply to his own use, any emolument or gain for negotiating or transacting any business in the said department, other than what shall be allowed by law; and if any person shall offend against any of the prohibitions of this act, he shall be deemed guilty of a high misdemeanor, and forfeit to the United States the penalty of three thousand dollars, and shall upon conviction be removed from office, and for ever thereafter incapable of holding any office under the United States. *Provided*, That if any other person than a public prosecutor shall give information of any such offence, upon which a prosecution and conviction shall be had, one half the aforesaid penalty of three thousand dollars, when recovered, shall be for the use of the person giving such information.

Approved, September 2, 1789.

An act for establishing the salaries of the Executive Officers of Government, with their assistants and clerks.

*Be it enacted, &c.* That there shall be allowed to the officers hereinafter mentioned, the following annual salaries, payable quarterly at the Treasury of the United States: to the Secretary of the Treasury, three thousand five hundred dollars; to the Secretary in the Department of State, three thousand five hundred dollars; to the Secretary of the Department of War, three thousand dollars; to the Comptroller of the Treasury, two thousand dollars; to the Auditor, fifteen hundred dollars; to the Treasurer, two thousand dollars; to the Register, twelve hundred and fifty dollars; to the Governor of the Western Territory, for his salary as such, and for discharging the duties of Superintendent of Indian affairs in the Northern Department, two thousand dollars; to the three judges of the Western Territory, each eight hundred dollars; to the assistant of the Secretary of the Treasury, fifteen hundred dollars; to the chief clerk in the Department of State, eight hundred dollars; to the chief clerk in the Department of War, six hundred dollars; to the Secretary of the Western Territory, seven hundred and fifty dollars; to the principal clerk of the Comptroller, eight hundred dollars; to the principal clerk of the Auditor, six hundred dollars; to the principal clerk of the Treasury, six hundred dollars.

Sec. 2. *And be it further enacted*, That the heads of the three departments first above mentioned shall appoint such clerks therein respectively as they shall find necessary; and the salary of the said clerks respectively shall not exceed the rate of five hundred dollars per annum.

Approved, September 11, 1789.

An Act to provide for the safe-keeping of the acts, records, and seal of the United States, and for other purposes.

*Be it enacted, &c.*, That the Executive De-

partment, denominated the Department of Foreign Affairs, shall hereafter be denominated the Department of State, and the principal officer therein shall hereafter be called the Secretary of State.

Sec. 2. *And be it further enacted*, That whenever a bill, order, resolution, or vote of the Senate and House of Representatives, having been approved and signed by the President of the United States, or not having been returned by him with his objections, shall become a law, or take effect, it shall forthwith thereafter be received by the said Secretary from the President; and whenever a bill, order, resolution, or vote shall be returned by the President with his objections, and shall, on being reconsidered, be agreed to be passed, and be approved by two-thirds of both Houses of Congress, and thereby become a law or take effect, it shall, in such case, be received by the said Secretary from the President of the Senate or the Speaker of the House of Representatives, in whichever House it shall last have been so approved; and the said Secretary shall, as soon as conveniently may be, after he shall receive the same, cause every such law, order, resolution, and vote to be published in at least three of the public newspapers printed within the United States, and shall also cause one printed copy to be delivered to each Senator and Representative of the United States, and two printed copies duly authenticated to be sent to the executive authority of each State; and he shall carefully preserve the originals, and shall cause the same to be recorded in books to be provided for the purpose.

Sec. 3. *And be it further enacted*, That the seal heretofore used by the United States in Congress assembled shall be and hereby is declared to be the seal of the United States.

Sec. 4. *And be it further enacted*, That the said Secretary shall keep the said seal, and shall make out and record, and shall affix the said seal to all civil commissions, to officers of the United States to be appointed by the President by and with the advice and consent of the Senate, or by the President alone. *Provided*, That the said seal shall not be affixed to any commission before the same shall have been signed by the President of the United States, nor to any other instrument or act without the special warrant of the President therefor.

Sec. 5. *And be it further enacted*, That the said Secretary shall cause a seal of office to be made for the said department of such device as the President of the United States shall approve, and all copies of records and papers in the said office, authenticated under the said seal, shall be evidence equally as the original record or paper.

Sec. 6. *And be it further enacted*, That there shall be paid to the Secretary, for the use of the United States, the following fees of office by the persons requiring the services to be performed, except when they are performed for any officer of the United States, in a matter

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relating to the duties of his office, to wit: for making out and authenticating copies of records, ten cents for each sheet, containing one hundred words; for authenticating a copy of a record or paper under the seal of office, twenty-five cents.

Sec. 7. *And be it further enacted*, That the said Secretary shall forthwith after his appointment be entitled to have the custody and charge of the said seal of the United States, and also of all books, records, and papers remaining in the office of the late Secretary of the United States in Congress assembled; and such of the said books, records, and papers as may appertain to the Treasury Department, or War Department, shall be delivered over to the principal officers in the said departments respectively as the President of the United States shall direct.

Approved, September 15, 1789.

An Act to suspend part of an act, entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises imported into the United States," and for other purposes.

*Be it enacted, &c.*, That so much of the act, entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises imported into the United States, as obliges ships or vessels bound up the river Potomac, to come to and deposite manifests of their cargoes with the officers at Saint Mary's and Yeocomico, before they proceed to their port of delivery, shall be and is hereby suspended until the first day of May next.

Sec. 2. *Be it further enacted*, That all the privileges and advantages to which ships and vessels owned by citizens of the United States are by law entitled, shall be, until the fifteenth day of January next, extended to ships and vessels wholly owned by citizens of the States of North Carolina and Rhode Island and Providence Plantations. *Provided*, That the master of every such ship or vessel last mentioned shall produce a register for the same, conformable to the laws of the State in which it shall have been obtained, showing that the said ship or vessel is, and before the first day of September instant, was owned as aforesaid, and make oath or affirmation before the collector of the port in which the benefit of this act is claimed, that the ship or vessel for which such register is produced is the same therein mentioned, and that he believes it is still wholly owned by the person or persons named in said register, and that he or they are citizens of one of the States aforesaid.

Sec. 3. *And be it further enacted*, That all rum, loaf sugar, and chocolate, manufactured or made in the States of North Carolina or Rhode Island and Providence Plantations, and imported or brought into the United States shall be deemed and taken to be subject to the like duties as goods of the like kinds imported

from any foreign State, kingdom, or country are made subject to.

Sec. 4. *And be it further enacted*, That Rehoboth, in the State of Massachusetts, shall be a port of entry and delivery, until the fifteenth day of January next, and that a collector be appointed for the same.

Approved, September 16, 1789.

An Act for the temporary establishment of the Post-office.

*Be it enacted, &c.*, That there shall be appointed a Postmaster-general; his powers and salary, and the compensation to the assistant or clerk and deputies which he may appoint, and the regulations of the Post-office shall be the same as they last were under the resolutions and ordinances of the late Congress. The Postmaster-general to be subject to the direction of the President of the United States in performing the duties of his office, and in forming contracts for the transportation of the mail.

Sec. 2. *And be it further enacted*, That this act shall continue in force until the end of the next session of Congress, and no longer.

Approved, September 22, 1789.

An Act for allowing compensation to the members of the Senate and House of Representatives of the United States, and to the officers of both Houses.

*Be it enacted, &c.* That at every session of Congress, and at every meeting of the Senate in the recess of Congress prior to the fourth day of March, in the year one thousand seven hundred and ninety-five, each Senator shall be entitled to receive six dollars for every day he shall attend the Senate, and shall also be allowed at the commencement and end of every such session and meeting six dollars for every twenty miles of the estimated distance by the most usual road from his place of residence to the seat of Congress; and in case any member of the Senate shall be detained by sickness, on his journey to or from any such session or meeting, or, after his arrival, shall be unable to attend the Senate, he shall be entitled to the same daily allowance. *Provided always*, That no Senator shall be allowed a sum exceeding the rate of six dollars a day from the end of one such session or meeting to the time of his taking a seat in another.

Sec. 2. *And be it further enacted*, That at every session of Congress, and at every meeting of the Senate in the recess of Congress after the aforesaid fourth day of March, in the year one thousand seven hundred and ninety-five, each Senator shall be entitled to receive seven dollars for every day he shall attend the Senate; and shall also be allowed at the commencement and end of every such session and meeting seven dollars for every twenty miles of the estimated distance, by the most usual road, from his place of residence to the seat of Congress; and in case any member of the Senate shall be detained by sickness on his journey to or from any such session or meeting, or

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after his arrival shall be unable to attend the Senate, he shall be entitled to the same allowance of seven dollars a day. *Provided always*, That no Senator shall be allowed a sum exceeding the rate of seven dollars a day from the end of one such session or meeting to the time of his taking his seat in another.

Sec. 3. *And be it further enacted*, That at every session of Congress each representative shall be entitled to receive six dollars for every day he shall attend the House of Representatives; and shall also be allowed, at the commencement and end of every session, six dollars for every twenty miles of the estimated distance, by the most usual road, from his place of residence to the seat of Congress; and in case any representative shall be detained by sickness on his journey to or from the session of Congress, or, after his arrival, shall be unable to attend the House of Representatives, he shall be entitled to the daily allowance aforesaid; and the Speaker of the House of Representatives, to defray the incidental expenses of his office, shall be entitled to receive, in addition to his compensation as a representative, six dollars for every day he shall attend the House. *Provided always*, That no representative shall be allowed a sum exceeding the rate of six dollars a day from the end of one such session or meeting to the time of his taking a seat in another.

Sec. 4. *And be it further enacted*, That there shall be allowed to each chaplain of Congress at the rate of five hundred dollars per annum, during the session of Congress; to the Secretary of the Senate and to the Clerk of the House of Representatives fifteen hundred dollars per annum each, to commence from the time of their respective appointments; and also a further allowance of two dollars a day to each during the session of that branch for which he officiates; and the said Secretary and Clerk shall each be allowed (when the President of the Senate or Speaker shall deem it necessary) to employ one principal clerk, who shall be paid three dollars per day, and an engrossing clerk, who shall be paid two dollars per day, during the session, with the like compensation to such clerk while he shall be necessarily employed in the recess.

Sec. 5. *And be it further enacted*, That the following compensation shall be allowed to the officers hereinafter mentioned, viz: to the sergeant-at-arms during the sessions, and while employed on the business of the House, four dollars per day; the allowance of the present sergeant-at-arms to commence from the time of his appointment; to the doorkeepers of the Senate and House of Representatives for their services in those offices three dollars per day, during the session of the House to which he may belong, for his own services and for the hire of necessary laborers; the allowance to the present doorkeeper of the Senate to commence from the day appointed for the meeting of Congress; and the allowance to the doorkeeper of

the House of Representatives to commence from his appointment; and to the assistant doorkeeper to each House two dollars per day during the sessions.

Sec. 6. *And be it further enacted*, That the said compensation which shall be due to the members and officers of the Senate shall be certified by the President; and that which shall be due to the members and officers of the House of Representatives shall be certified by the Speaker; and the same shall be passed as public accounts, and paid out of the public Treasury.

Sec. 7. *And be it further enacted*, That this act shall continue in force until the fourth day of March, in the year one thousand seven hundred and ninety-six, and no longer.

Approved, September 23, 1789.

An Act for allowing certain compensation to the Judges of the Supreme and other Courts, and to the Attorney General of the United States.

*Be it enacted, &c.*, That there shall be allowed to the Judges of the Supreme and other Courts of the United States the yearly compensation hereinafter mentioned, to wit: to the Chief Justice, four thousand dollars; to each of the Justices of the Supreme Court, three thousand five hundred dollars; to the Judge of the district of Maine, one thousand dollars; to the Judge of the district of New Hampshire, one thousand dollars; to the Judge of the district of Massachusetts, twelve hundred dollars; to the Judge of the district of Connecticut, one thousand dollars; to the Judge of the district of New York, fifteen hundred dollars; to the Judge of the district of New Jersey, one thousand dollars; to the Judge of the district of Pennsylvania, sixteen hundred dollars; to the Judge of the district of Delaware, eight hundred dollars; to the Judge of the district of Maryland, fifteen hundred dollars; to the Judge of the district of Virginia, eighteen hundred dollars; to the Judge of the district of Kentucky, one thousand dollars; to the Judge of the district of South Carolina, eighteen hundred dollars; to the Judge of the district of Georgia, fifteen hundred dollars; and to the Attorney General of the United States, fifteen hundred dollars; which compensations shall commence from their respective appointments, and be paid at the Treasury of the United States in quarterly payments.

Approved, September 23, 1789.

An Act for allowing a compensation to the President and Vice President of the United States.

*Be it enacted, &c.*, That there shall be allowed to the President of the United States, at the rate of twenty-five thousand dollars, with the use of the furniture and other effects now in his possession belonging to the United States; and to the Vice President, at the rate of five thousand dollars per annum, in full compensation for their respective services, to commence with the time of their entering on the duties of their offices respectively, and to con-

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tinue so long as they shall remain in office, and to be paid quarterly out of the Treasury of the United States.

Approved, September 24, 1789.

An Act to establish the Judicial Courts of the United States.

*Be it enacted, &c.,* That the Supreme Court of the United States shall consist of a Chief Justice and five associate justices, any four of whom shall be a quorum, and shall hold annually at the seat of Government two sessions, the one commencing the first Monday of February, and the other the first Monday of August. That the associate justices shall have precedence according to the date of their commissions, or when the commissions of two or more of them bear date on the same day, according to their respective ages.

Sec. 2. *And be it further enacted,* That the United States shall be, and they hereby are divided into thirteen districts, to be limited and called as follows, to wit: one to consist of that part of the State of Massachusetts which lies easterly of the State of New Hampshire, and to be called Maine District; one to consist of the State of New Hampshire, and to be called New Hampshire District; one to consist of the remaining part of the State of Massachusetts, and to be called Massachusetts District; one to consist of the State of Connecticut, and to be called Connecticut District; one to consist of the State of New York, and to be called New York District; one to consist of the State of New Jersey, and to be called New Jersey District; one to consist of the State of Pennsylvania, and to be called Pennsylvania District; one to consist of the State of Delaware, and to be called Delaware District; one to consist of the State of Maryland, and to be called Maryland District; one to consist of the State of Virginia, except that part called the District of Kentucky, and to be called Virginia District; one to consist of the remaining part of the State of Virginia, and to be called Kentucky District; one to consist of the State of South Carolina, and to be called South Carolina District; and one to consist of the State of Georgia, and to be called Georgia District.

Sec. 3. *And be it further enacted,* That there be a court called a District Court in each of the aforementioned districts, to consist of one judge, who shall reside in the district for which he is appointed, and shall be called a District Judge, and shall hold annually four sessions, the first of which to commence as follows, to wit: in the districts of New York and New Jersey on the first, in the district of Pennsylvania on the second, in the district of Connecticut on the third, and in the district of Delaware on the fourth Tuesdays of November next; in the districts of Massachusetts, of Maine, and of Maryland on the first, in the district of Georgia on the second, and in the districts of New Hampshire, of Virginia, and

of Kentucky on the third Tuesdays of December next; and the other three sessions progressively in the respective districts on the like Tuesdays of every third calendar month afterwards; and in the district of South Carolina on the third Monday in March and September, the first Monday in July, and the second Monday in December of each and every year, commencing in December next, and that the district judge shall have power to hold special courts at his discretion. That the stated district court shall be held at the places following, to wit: in the district of Maine, at Portland and Pownalsborough alternately, beginning at the first; in the district of New Hampshire, at Exeter and Portsmouth alternately, beginning at the first; in the district of Massachusetts, at Boston and Salem alternately, beginning at the first; in the district of Connecticut, alternately at Hartford and New Haven, beginning at the first; in the district of New York, at New York; in the district of New Jersey, alternately at New Brunswick and Burlington, beginning at the first; in the district of Pennsylvania, at Philadelphia and Yorktown alternately, beginning at the first; in the district of Delaware, alternately at Newcastle and Dover, beginning at the first; in the district of Maryland, alternately at Baltimore and Easton, beginning at the first; in the district of Virginia, alternately at Richmond and Williamsburg, beginning at the first; in the district of Kentucky, at Harrodsburgh; in the district of South Carolina, at Charleston; and in the district of Georgia, alternately at Savannah and Augusta, beginning at the first; and that the special courts shall be held at the same place in each district as the stated courts; or in districts that have two, at either of them in the discretion of the judge, or at such other place in the district as the nature of the business and his discretion shall direct. And that in the districts that have but one place for holding the district court, the records thereof shall be kept at that place; and in districts that have two at that place in each district which the judge shall appoint.

Sec. 4. *And be it further enacted,* That the beforementioned districts, except those of Maine and Kentucky, shall be divided into three circuits, and be called the eastern, the middle, and the southern circuit. That the eastern circuit shall consist of the districts of New Hampshire, Massachusetts, Connecticut, and New York; that the middle circuit shall consist of the districts of New Jersey, Pennsylvania, Delaware, Maryland, and Virginia; and that the southern circuit shall consist of the districts of South Carolina and Georgia; and that there shall be held annually in each district of said circuits two courts which shall be called circuit courts, and shall consist of any two justices of the Supreme Court and the district judge of such districts, any two of whom shall constitute a quorum. *Provided,* That no district judge shall give a vote in any

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case of appeal or error from his own decision; but may assign the reasons of such his decision.

Sec. 5. *And be it further enacted*, That the first session of the said circuit court in the several districts shall commence at the times following, to wit: in New Jersey on the second, in New York on the fourth, in Pennsylvania on the eleventh, in Connecticut on the twenty-second, and in Delaware on the twenty-seventh day of April next; in Massachusetts on the third, in Maryland on the seventh, in South Carolina on the twelfth, in New Hampshire on the twentieth, in Virginia on the twenty-second, and in Georgia on the twenty-eighth day of May next, and the subsequent sessions in the respective districts on the like day of every sixth calendar month afterwards, except in South Carolina, where the session of the said court shall commence on the first, and in Georgia where it shall commence on the seventeenth day of October, and except when any of those days shall happen on a Sunday, and then the session shall commence on the next day following. And the sessions of the said circuit court shall be held in the district of New Hampshire, at Portsmouth and Exeter alternately, beginning at the first; in the district of Massachusetts, at Boston; in the district of Connecticut, alternately at Hartford and New Haven, beginning at the last; in the district of New York, alternately at New York and Albany, beginning at the first; in the district of New Jersey, at Trenton; in the district of Pennsylvania, alternately at Philadelphia and Yorktown, beginning at the first; in the district of Delaware, alternately at Newcastle and Dover, beginning at the first; in the district of Maryland, alternately at Annapolis and Easton, beginning at the first; in the district of Virginia, alternately at Charlottesville and Williamsburgh, beginning at the first; in the district of South Carolina, alternately at Columbia and Charleston, beginning at the first; and in the district of Georgia, alternately at Savannah and Augusta, beginning at the first. And the circuit courts shall have power to hold special sessions for the trial of criminal causes at any other time at their discretion, or at the discretion of the Supreme Court.

Sec. 6. *And be it further enacted*, That the Supreme Court may, by any one or more of its justices being present, be adjourned from day to day until a quorum be convened; and that a circuit court may also be adjourned from day to day by any one of its judges, or if none are present, by the marshal of the district until a quorum be convened; and that a district court, in case of the inability of the judge to attend at the commencement of a session, may, by virtue of a written order from the said judge directed to the marshal of the district, be adjourned by the said marshal to such a day antecedent to the next stated session of the said court, as in the said order shall be appointed, and in case of the death of the said judge, and his vacancy not being supplied, all process, pleadings, and

proceedings of what nature soever, pending before the said court, shall be continued of course until the next stated session after the appointment and acceptance of the office by his successor.

Sec. 7. *And be it further enacted*, That the Supreme Court and the district courts shall have power to appoint clerks for their respective courts, and that the clerk for each district court shall be clerk also of the circuit court in such district, and each of the said clerks shall, before he enters upon the execution of his office, take the following oath or affirmation, to wit: "I, A. B., being appointed clerk of — do solemnly swear or affirm, that I will truly and faithfully enter and record all the orders, decrees, judgments, and proceedings of the said court, and that I will faithfully and impartially discharge and perform all the duties of my said office, according to the best of my abilities and understanding. So help me God." Which words, "so help me God," shall be omitted in all cases where an affirmation is admitted instead of an oath. And the said clerks shall also severally give bond with sufficient sureties (to be approved of by the Supreme and District Courts respectively) to the United States, in the sum of two thousand dollars, faithfully to discharge the duties of his office, and seasonably to record the decrees, judgments, and determinations of the court of which he is clerk.

Sec. 8. *And be it further enacted*, That the justices of the Supreme Court and the district judges, before they proceed to execute the duties of their respective offices, shall take the following oath or affirmation, to wit: "I, A. B., do solemnly swear or affirm, that I will administer justice without respect to persons, and do equal right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all the duties incumbent on me as —, according to the best of my abilities and understanding, agreeably to the Constitution and laws of the United States. So help me God."

Sec. 9. *And be it further enacted*, That the district courts shall have, exclusively of the courts of the several States, cognizance of all crimes and offences that shall be cognizable under the authority of the United States, committed within their respective districts, or upon the high seas; where no other punishment than whipping, not exceeding thirty stripes, a fine not exceeding one hundred dollars, or a term of imprisonment not exceeding six months, is to be inflicted; and shall also have exclusive original cognizance of all civil causes of admiralty and maritime jurisdiction, including all seizures under laws of impost, navigation, or trade of the United States, where the seizures are made on waters which are navigable from the sea by vessels of ten or more tons burthen, within their respective districts as well as upon the high seas; saving to suitors, in all cases, the right of a common law remedy, where the common law is competent to give it; and shall al-

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so have exclusive original cognizance of all seizures on land, or other waters than as aforesaid made, and of all suits for penalties and forfeitures incurred under the laws of the United States. And shall also have cognizance, concurrent with the courts of the several States, or the circuit courts, as the case may be, of all causes where an alien sues for a tort only in violation of the law of nations or a treaty of the United States. And shall also have cognizance, concurrent as last mentioned, of all suits at common law where the United States sue, and the matter in dispute amounts, exclusive of costs, to the sum or value of one hundred dollars. And shall also have jurisdiction exclusively of the courts of the several States, of all suits against consuls or vice-consuls, except for offences above the description aforesaid. And the trial of issues in fact, in the district courts, in all causes except civil causes of admiralty and maritime jurisdiction, shall be by jury.

Sec. 10. *And be it further enacted*, That the district court of Kentucky district shall, besides the jurisdiction aforesaid, have jurisdiction of all other causes, except of appeals and writs of error, hereinafter made cognizable in a circuit court, and shall proceed therein in the same manner as a circuit court, and writs of error and appeals shall lie from decisions therein to the Supreme Court in the same causes, as from a circuit court to the Supreme Court, and under the same regulations. And the district court in Maine district shall, besides the jurisdiction hereinbefore granted have jurisdiction of all causes, except in cases of appeals and writs of error hereinafter made cognizable in a circuit court, and shall proceed therein in the same manner as a circuit court; and writs of error shall lie from decisions therein to the circuit court in the district of Massachusetts in the same manner as from other district courts to their respective circuit courts.

Sec. 11. *And be it further enacted*, That the circuit courts shall have original cognizance, concurrent with the courts of the several States, of all suits of a civil nature at common law or in equity, where the matter in dispute exceeds, exclusive of costs, the sum or value of five hundred dollars, and the United States are plaintiffs or petitioners; or an alien is a party, or the suit is between a citizen of the State where the suit is brought and a citizen of another State. And shall have exclusive cognizance of all crimes and offences cognizable under the authority of the United States, except where this act otherwise provides, or the laws of the United States shall otherwise direct, and concurrent jurisdiction with the district courts of the crimes and offences cognizable therein. But no person shall be arrested in one district for trial in another, in any civil action before a circuit or district court; and no civil suit shall be brought before either of said courts against an inhabitant of the United States by any original process in any other district than that whereof he is an inhabitant, or in which

he shall be found at the time of serving the writ, nor shall any district or circuit court have cognizance of any suit to recover the contents of any promissory note or other chose in action in favor of an assignee, unless a suit might have been prosecuted in such court to recover the said contents if no assignment had been made, except in cases of foreign bills of exchange. And the circuit courts shall also have appellate jurisdiction from the district courts under the regulations and restrictions hereinafter provided.

Sec. 12. *And be it further enacted*, That if a suit be commenced in any State court against an alien, or by a citizen of the State in which the suit is brought against a citizen of another State, and the matter in dispute exceeds the aforesaid sum or value of five hundred dollars, exclusive of costs, to be made to appear to the satisfaction of the court, and the defendant shall, at the time of entering his appearance in such State court, file a petition for the removal of the cause for trial into the next circuit court, to be held in the district where the suit is pending, or if in the district of Maine, to the district court next to be holden therein, or if in Kentucky district, to the district court next to be holden therein, and offer good and sufficient surety for his entering in such court on the first day of its session copies of said process against him, and also for his there appearing and entering special bail in the cause, if special bail was originally requisite therein, it shall then be the duty of the State court to accept the surety, and proceed no further in the cause, and any bail that may have been originally taken shall be discharged, and the said copies being entered as aforesaid, in such court of the United States, the cause shall there proceed in the same manner as if it had been brought there by original process. And any attachment of the goods or estate of the defendant by the original process shall hold the goods or estate so attached, to answer the final judgment in the same manner as by the laws of such State they would have been holden to answer final judgment, had it been rendered by the court in which the suit commenced. And if in any action commenced in a State court, the title of land be concerned, and the parties are citizens of the same State, and the matter in dispute exceeds the sum or value of five hundred dollars, exclusive of costs, the sum or value being made to appear to the satisfaction of the court, either party, before the trial, shall state to the court and make affidavit if they require it, that he claims and shall rely upon a right or title to the land, under a grant from a State, other than that in which the suit is pending, and produce the original grant or an exemplification of it, except where the loss of public records shall put it out of his power, and shall move that the adverse party inform the court, whether he claims a right or title to the land under a grant from the State in which the suit is pending; the said adverse party shall give



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such information, or otherwise not to be allowed to plead such grant, or give it in evidence upon the trial, and if he informs that he does claim under such grant, the party claiming under the grant first mentioned, may then, on motion, remove the cause for trial to the next circuit court to be holden in such district, or if in the district of Maine, to the court next to be holden therein; or if in Kentucky district, to the district court next to be holden therein; but if he is the defendant, shall do it under the same regulations as in the beforementioned case of the removal of a cause into such court by an alien; and neither party removing the cause, shall be allowed to plead or give evidence of any other title than that by him stated as aforesaid, as the ground of his claim. And the trial of issues in fact in the circuit courts shall, in all suits, except those of equity, and of admiralty, and maritime jurisdiction, be by jury.

Sec. 13. *And be it further enacted*, That the Supreme Court shall have exclusive jurisdiction of all controversies of a civil nature, where a State is a party, except between a State and its citizens; and except also between a State and citizens of other States, or aliens, in which latter case it shall have original but not exclusive jurisdiction. And shall have exclusively all such jurisdiction of suits or proceedings against ambassadors or other public ministers, or their domestics, or domestic servants, as a court of law can have or exercise consistently with the law of nations; and original, but not exclusive jurisdiction of all suits brought by ambassadors or other public ministers, or in which a consul or vice-consul shall be a party. And the trial of issues in fact in the Supreme Court in all actions at law against citizens of the United States shall be by jury. The Supreme Court shall also have appellate jurisdiction from the circuit courts and courts of the several States in the cases hereinafter specially provided for: and shall have power to issue writs of prohibition to the district courts, when proceeding as courts of admiralty and maritime jurisdiction, and writs of *mandamus*, in cases warranted by the principle and usages of law, to any courts appointed, or persons holding office under the authority of the United States.

Sec. 14. *And be it further enacted*, That all the beforementioned courts of the United States shall have power to issue writs of *scire facias*, *habeas corpus*, and all other writs not specially provided for by statute, which may be necessary for the exercise of their respective jurisdictions, and agreeable to the principles and usages of law. And that either of the justices of the Supreme Court, as well as judges of the district courts, shall have power to grant writs of *habeas corpus* for the purpose of an inquiry into the cause of commitment. *Provided*, That writs of *habeas corpus* shall in no case extend to prisoners in gaol, unless where they are in custody, under or by color of the authority of the United States, or are committed for trial before

some court of the same, or are necessary to be brought into court to testify.

Sec. 15. *And be it further enacted*, That all the said courts of the United States shall have power in the trial of actions at law, on motion and due notice thereof being given, to require the parties to produce books or writings in their possession or power, which contain evidence pertinent to the issue, in cases and under circumstances where they might be compelled to produce the same by the ordinary rules of proceeding in chancery; and if a plaintiff shall fail to comply with such order, to produce books or writings, it shall be lawful for the courts respectively, on motion, to give the like judgment for the defendant as in cases of nonsuit; and if a defendant shall fail to comply with such order, to produce books or writings, it shall be lawful for the courts respectively on motion as aforesaid, to give judgment against him or her by default.

Sec. 16. *And be it further enacted*, That suits in equity shall not be sustained in either of the courts of the United States, in any case where plain, adequate, and complete remedy may be had at law.

Sec. 17. *And be it further enacted*, That all the said courts of the United States shall have power to grant new trials, in cases where there has been a trial by jury for reasons for which new trials have usually been granted in the courts of law; and shall have power to impose and administer all necessary oaths or affirmations, and to punish by fine or imprisonment, at the discretion of said courts, all contempts of authority in any cause or hearing before the same; and to make and establish all necessary rules for the orderly conducting business in the said courts, provided such rules are not repugnant to the laws of the United States.

Sec. 18. *And be it further enacted*, That when in a circuit court, judgment upon a verdict in a civil action shall be entered, execution may, on motion of either party, at the discretion of the court, and on such conditions for the security of the adverse party as they may judge proper, be stayed forty-two days from the time of entering judgment, to give time to file in the clerk's office of said court, a petition for a new trial. And if such petition be there filed within said term of forty-two days, with a certificate thereon from either of the judges of such court, that he allows the same to be filed, which certificate he may make or refuse at his discretion, execution shall of course be further stayed to the next session of said court. And if a new trial be granted, the former judgment shall be thereby rendered void.

Sec. 19. *And be it further enacted*, That it shall be the duty of circuit courts, in causes in equity and of admiralty and maritime jurisdiction, to cause the facts on which they found their sentence or decree, fully to appear upon the record either from the pleadings and decree itself, or a state of the case agreed by the par-

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ties, or their counsel, or if they disagree, by a stating of the case by the court.

Sec. 20. *And be it further enacted*, That where in a circuit court a plaintiff in an action originally brought there, or a petitioner in equity, other than the United States, recovers less than the sum or value of five hundred dollars, or a libellant, upon his own appeal, less than the sum or value of three hundred dollars, he shall not be allowed, but at the discretion of the court may be adjudged to pay costs.

Sec. 21. *And be it further enacted*, That from final decrees in a district court in causes of admiralty and maritime jurisdiction, where the matter in dispute exceeds the sum or value of three hundred dollars, exclusive of costs, an appeal shall be allowed to the next circuit court, to be held in such district. *Provided nevertheless*, That all such appeals from final decrees as aforesaid from the district court of Maine shall be made to the circuit court, next to be holden after each appeal in the district of Massachusetts.

Sec. 22. *And be it further enacted*, That final decrees and judgments in civil actions in a district court, where the matter in dispute exceeds the sum or value of fifty dollars, exclusive of costs, may be re-examined, and reversed or affirmed in a circuit court, holden in the same district, upon a writ of error, whereto shall be annexed and returned therewith at the day and place therein mentioned, an authenticated transcript of the record, and assignment of errors, and prayer for reversal, with a citation to the adverse party, signed by the judge of such district court, or a justice of the Supreme Court, the adverse party having at least twenty days' notice. And upon a like process, may final judgments and decrees in civil actions, and suits in equity in a circuit court, brought there by original process, or removed there from courts of the several States, or removed there by appeal from a district court where the matter in dispute exceeds the sum or value of two thousand dollars, exclusive of costs, be re-examined and reversed or affirmed in the Supreme Court, the citation being in such case signed by a judge of such circuit court, or justice of the Supreme Court, and the adverse party having at least thirty days' notice. But there shall be no reversal in either court on such writ of error for error in ruling any plea in abatement, other than a plea to the jurisdiction of the court, or such plea to a petition or bill in equity, as in the nature of a demurrer, or for any error in fact. And writs of error shall not be brought but within five years after rendering or passing the judgment or decree complained of, or in case the person entitled to such writ of error be an infant, *feme covert*, *non compos mentis*, or imprisoned, then within five years as aforesaid, exclusive of the time of such disability. And every justice or judge signing a citation on any writ of error as aforesaid, shall take good and sufficient security that the plaintiff in error

shall prosecute his writ to effect, and answer all damages and costs if he fail to make his plea good.

Sec. 23. *And be it further enacted*, That a writ of error as aforesaid shall be a supersedeas and stay execution in cases only where the writ of error is served, by a copy thereof being lodged for the adverse party in the clerk's office where the record remains, within ten days, Sundays exclusive, after rendering the judgment or passing the decree complained of. Until the expiration of which term of ten days, executions shall not issue in any case where a writ of error may be a supersedeas; and whereupon such writ of error the Supreme or a circuit court shall affirm a judgment or decree, they shall adjudge or decree to the respondent in error just damages for his delay, and single or double costs at their discretion.

Sec. 24. *And be it further enacted*, That when a judgment or decree shall be reversed in a circuit court, such court shall proceed to render such judgment or pass such decree as the district court shall have rendered or passed, and the Supreme Court shall do the same on reversals therein, except where the reversal is in favor of the plaintiff, or petitioner in the original suit, and the damages to be assessed, or matter to be decreed, are uncertain, in which case they shall remand the cause for a final decision. And the Supreme Court shall not issue execution in causes that are removed before them by writs of error, but shall send a special mandate to the circuit court to award execution thereupon.

Sec. 25. *And be it further enacted*, That a final judgment or decree in any suit, in the highest court of law or equity of a State in which a decision in the suit could be had, where is drawn in question the validity of a treaty or statute of, or an authority exercised under the United States, and the decision is against their validity; or where is drawn in question the validity of a statute of, or an authority exercised under any State, on the ground of their being repugnant to the Constitution, treaties or laws of the United States, and the decision is in favor of such their validity, or where is drawn in question the construction of any clause of the Constitution, or of a treaty, or statute of, or commission held under the United States, and the decision is against the title, right, privilege, or exemption specially set up or claimed by either party, under such clause of the said Constitution, treaty, statute, or commission, may be re-examined and reversed or affirmed in the Supreme Court of the United States upon a writ of error, the citation being signed by the chief justice, or judge or chancellor of the court rendering or passing the judgment or decree complained of, or by a justice of the Supreme Court of the United States, in the same manner and under the same regulations, and the writ shall have the same effect, as if the judgment or decree complained of had been rendered or passed in a circuit court, and

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the proceedings upon the reversal shall also be the same, except that the Supreme Court, instead of remanding the cause for a final decision as before provided, may, at their discretion, if the cause shall have been once remanded before, proceed to a final decision of the same, and award execution. But no other error shall be assigned or regarded as a ground of reversal in any such case as aforesaid, than such as appears on the face of the record, and immediately respects the before-mentioned questions of validity or construction of the said Constitution, treaties, statutes, commissions, or authorities in dispute.

Sec. 26. *And be it further enacted*, That in all causes brought before either of the courts of the United States to recover the forfeiture annexed to any articles of agreement, covenant, bond, or other specialty, where the forfeiture, breach, or non-performance shall appear by the default or confession of the defendant, or upon demurrer, the court before whom the action is, shall render judgment therein for the plaintiff to recover so much as is due according to equity. And when the sum for which judgment should be rendered is uncertain, the same shall, if either of the parties request it, be assessed by a jury.

Sec. 27. *And be it further enacted*, That a marshal shall be appointed in and for each district for the term of four years, but shall be removable from office at pleasure, whose duty it shall be to attend the district and circuit courts when sitting therein, and also the Supreme Court in the district in which that court shall sit. And to execute throughout the district all lawful precepts directed to him, and issued under the authority of the United States; and he shall have power to command all necessary assistance in the execution of his duty, and to appoint, as there shall be occasion, one or more deputies, who shall be removable from office by the judge of the district court, or the circuit court sitting within the district, at the pleasure of either; and before he enters on the duties of his office, he shall become bound for the faithful performance of the same, by himself and by his deputies, before the judge of the district court to the United States, jointly and severally with two good and sufficient sureties, inhabitants and freeholders of such district, to be approved by the district judge, in the sum of twenty thousand dollars, and shall take before said judge, as shall also his deputies, before they enter on the duties of their appointment, the following oath of office: "I, A. B., do solemnly swear or affirm, that I will faithfully execute all lawful precepts directed to the marshal of the district of — under the authority of the United States, and true returns make, and in all things well and truly, and without malice or partiality, perform the duties of the office of marshal (or marshal's deputy, as the case may be) of the district of — during my continuance in said office, and take only my lawful fees. So help me God."

Sec. 28. *And be it further enacted*, That in all causes wherein the marshal or his deputy shall be a party, the writs and precepts therein shall be directed to such disinterested person as the court, or any justice or judge thereof may appoint, and the person so appointed is hereby authorized to execute and return the same. And in case of the death of any marshal, his deputy or deputies shall continue in office, unless otherwise specially removed, and shall execute the same in the name of the deceased, until another marshal shall be appointed and sworn: and the defaults or misfeasances in office of such deputy or deputies in the mean time, as well as before, shall be adjudged a breach of the condition of the bond given, as before directed by the marshal who appointed them; and the executor or administrator of the deceased marshal shall have like remedy for the defaults and misfeasances in office of such deputy or deputies during such interval, as they would be entitled to if the marshal had continued in life and in the exercise of his said office, until his successor was appointed, and sworn or affirmed: and every marshal or his deputy when removed from office, or when the term for which the marshal is appointed shall expire, shall have power notwithstanding to execute all such precepts as may be in their hands respectively at the time of such removal or expiration of office; and the marshal shall be held answerable for the delivery to his successor of all prisoners which may be in his custody at the time of his removal, or when the term for which he is appointed shall expire, and for that purpose may retain such prisoners in his custody until his successor shall be appointed and qualified as the law directs.

Sec. 29. *And be it further enacted*, That in cases punishable with death, the trial shall be had in the country where the offence was committed, or where that cannot be done without great inconvenience, twelve petit jurors at least shall be summoned from thence. And jurors in all cases to serve in the courts of the United States shall be designated by lot or otherwise in each State respectively according to the mode of forming juries therein now practised, so far as the laws of the same shall render such designation practicable by the courts or marshals of the United States; and the jurors shall have the same qualifications as are requisite for jurors by the laws of the State of which they are citizens, to serve in the highest courts of law of such State, and shall be returned as there shall be occasion for them, from such parts of the district from time to time as the court shall direct, so as shall be most favorable to an impartial trial, and so as not to incur an unnecessary expense, or unduly to burthen the citizens of any part of the district with such services. And writs of *venire facias* when directed by the court shall issue from the clerk's office, and shall be served and returned by the marshal in his proper person or by his deputy, or in case the marshal or his deputy is not an indifferent

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person, or is interested in the event of the cause, by such fit person as the court shall specially appoint for that purpose, to whom they shall administer an oath or affirmation that he will truly and impartially serve and return such writ. And when from challenges or otherwise there shall not be a jury to determine any civil or criminal cause, the marshal or his deputy shall, by order of the court where such defect of jurors shall happen, return jurymen *de talibus circumstantibus* sufficient to complete the pannel; and when the marshal or his deputy is disqualified as aforesaid, jurors may be returned by such disinterested person as the court shall appoint.

Sec. 30. *And be it further enacted*, That the mode of proof by oral testimony and examination of witnesses in open court shall be the same in all the courts of the United States, as well in the trial of causes in equity and of admiralty and maritime jurisdiction, as of actions at common law. And when the testimony of any person shall be necessary in any civil cause depending in any district in any court of the United States, who shall live at a greater distance from the place of trial than one hundred miles, or is bound on a voyage to sea, or is about to go out of the United States, or out of such district, and to a greater distance from the place of trial than as aforesaid, before the time of trial, or is ancient or very infirm, the deposition of such person may be taken *de bene esse* before any justice or judge of any of the courts of the United States, or before any chancellor, justice or judge of a Supreme or Superior Court, mayor or chief magistrate of a city, or judge of a county court or court of common pleas of any of the United States, not being of counsel or attorney to either of the parties, or interested in the event of the cause, provided that a notification from the magistrate before whom the deposition is to be taken to the adverse party, to be present at the taking of the same, and to put interrogatories, if he think fit, be first made out and served on the adverse party or his attorney as either may be nearest, if either is within one hundred miles of the place of such caption, allowing time for their attendance after notified, not less than at the rate of one day, Sundays exclusive, for every twenty miles travel. And in causes of admiralty and maritime jurisdiction, or other cases of seizure when a libel shall be filed, in which an adverse party is not named, and depositions of persons circumstanced as aforesaid shall be taken before a claim be put in, the like notification as aforesaid shall be given to the person having the agency or possession of the property libelled at the time of the capture or seizure of the same, if known to the libellant. And every person deposing as aforesaid shall be carefully examined and cautioned, and sworn or affirmed to testify the whole truth, and shall subscribe the testimony by him or her given after the same shall be reduced to writing, which shall be done only by the magistrate taking the depo-

sition, or by the deponent in his presence. And the depositions so taken shall be retained by such magistrate until he deliver the same with his own hand into the court for which they are taken, or shall, together with a certificate of the reasons as aforesaid of their being taken, and of the notice, if any given, to the adverse party, be by him the said magistrate sealed up and directed to such court, and remain under his seal until opened in court. And any person may be compelled to appear and depose as aforesaid in the same manner as to appear and testify in court. And in the trial of any cause of admiralty or maritime jurisdiction in a district court, the decree in which may be appealed from, if either party shall suggest to and satisfy the court that probably it will not be in his power to produce the witnesses there testifying before the circuit court should an appeal be had, and shall move that their testimony be taken down in writing, it shall be so done by the clerk of the court. And if an appeal be had, such testimony may be used on the trial of the same, if it shall appear to the satisfaction of the court which shall try the appeal, that the witnesses are then dead or gone out of the United States, or to a greater distance than as aforesaid from the place where the court is sitting, or that by reason of age, sickness, bodily infirmity or imprisonment, they are unable to travel and appear in court, but not otherwise. And unless the same shall be made to appear on the trial of any cause, with respect to witnesses whose depositions may have been taken therein, such depositions shall not be admitted or used in the cause. *Provided*, That nothing herein shall be construed to prevent any court of the United States from granting a *dedimus potestatem* to take depositions according to common usage, when it may be necessary to prevent a failure or delay of justice; which power they shall severally possess, nor to extend to depositions taken in *perpetuam rei memoriam*, which if they relate to matters that may be cognizable in any court of the United States, a circuit court on application thereto made, as a court of equity may, according to the usages in chancery, direct to be taken.

Sec. 31. *And be it further enacted*, That where any suit shall be depending in any court of the United States, and either of the parties shall die before final judgment, the executor or administrator of such deceased party who was plaintiff, petitioner, or defendant, in case the cause of action doth by law survive, shall have full power to prosecute or defend any such suit or action until final judgment; and the defendant or defendants are hereby obliged to answer thereto accordingly; and the court before whom such cause may be depending, is hereby empowered and directed to hear and determine the same, and to render judgment for or against the executor or administrator, as the case may require. And if such executor or administrator having been duly served with a

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*scire facias* from the office of the clerk of the court where such suit is depending, twenty days beforehand, shall neglect or refuse to become a party to the suit, the court may render judgment against the estate of the deceased party, in the same manner as if the executor or administrator had voluntarily made himself a party to the suit; and the executor or administrator who shall become a party as aforesaid shall, upon motion to the court where the suit is depending, be entitled to a continuance of the same until the next term of the said court. And if there be two or more plaintiffs or defendants, and one or more of them shall die, if the cause of action shall survive to the surviving plaintiff or plaintiffs, or against the surviving defendant or defendants, the writ or action shall not be thereby abated; but such death being suggested upon the record, the action shall proceed at the suit of the surviving plaintiff or plaintiffs against the surviving defendant or defendants.

Sec. 32. *And be it further enacted*, That no summons, writ, declaration, return, process, judgment, or other proceedings in civil causes in any of the courts of the United States, shall be abated, arrested, quashed, or reversed, for any defect, or want of form, but the said courts respectively shall proceed and give judgment according to the right of the cause and matter in law shall appear unto them, without regarding any imperfections, defects, or want of form in such writ, declaration, or other pleading, return, process, judgment, or course of proceeding whatsoever, except those only in cases of demurrer, which the party demurring shall specially set down and express together with his demurrer as the cause thereof. And the said courts respectively shall and may, by virtue of this act, from time to time, amend all and every such imperfections, defects, and wants of form, other than those only which the party demurring shall express as aforesaid, and may at any time permit either of the parties to amend any defect in the process or pleadings, upon such conditions as the said courts respectively shall in their discretion and by their rules prescribe.

Sec. 33. *And be it further enacted*, That for any crime or offence against the United States, the offender may, by any justice or judge of the United States, or by any justice of the peace, or other magistrate of any of the United States where he may be found agreeably to the usual mode of process against offenders in such State, and at the expense of the United States, be arrested, and imprisoned or bailed, as the case may be, for trial before such court of the United States as by this act has cognizance of the offence: and copies of the process shall be returned as speedily as may be into the clerk's office of such court, together with the recognizances of the witnesses for their appearance to testify in the case; which recognizances the magistrate before whom the examination shall be, may require on pain of im-

prisonment. And if such commitment of the offender, or the witnesses shall be in a district other than that in which the offence is to be tried, it shall be the duty of the judge of that district where the delinquent is imprisoned, seasonably to issue, and of the marshal of the same district to execute, a warrant for the removal of the offender, and the witnesses or either of them, as the case may be, to the district in which the trial is to be had. And upon all arrests in criminal cases bail shall be admitted, except where the punishment may be death, in which cases it shall not be admitted but by the Supreme or circuit court, or by a justice of the Supreme Court or a judge of a district court, who shall exercise their discretion therein, regarding the nature and circumstances of the offence, and of the evidence, and the usages of law. And if a person committed by a justice of the Supreme or a judge of a district court for an offence not punishable with death, shall afterwards procure bail, and there be no judge of the United States in the district to take the same, it may be taken by any judge of the Supreme or superior court of law of such State.

Sec. 34. *And be it further enacted*, That the laws of the several States, except where the Constitution, treaties, or statutes of the United States shall otherwise require or provide, shall be regarded as rules of decision in trials at common law in the courts of the United States in cases where they apply.

Sec. 35. *And be it further enacted*, That in all the courts of the United States the parties may plead and manage their own causes personally or by the assistance of such counsel or attorneys at law as by the rules of the said courts respectively shall be permitted to manage and conduct causes therein. And there shall be appointed in each district a meet person learned in the law to act as attorney for the United States in such district, who shall be sworn or affirmed to the faithful execution of his office, whose duty it shall be to prosecute in such district all delinquents for crimes and offences, cognizable under the authority of the United States, and all civil actions in which the United States shall be concerned, except before the Supreme Court in the district in which that court shall be holden. And he shall receive as a compensation for his services such fees as shall be taxed therefor in the respective courts before which the suits or prosecutions shall be. And there shall also be appointed a meet person learned in the law to act as attorney-general for the United States, who shall be sworn or affirmed to a faithful execution of his office; whose duty it shall be to prosecute and conduct all suits in the Supreme Court in which the United States shall be concerned, and to give his advice and opinion upon questions of law when required by the President of the United States, or when requested by the heads of any of the departments, touching any matters that may concern their departments, and shall

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receive such compensation for his services as shall by law be provided.

Approved, September 24, 1789.

An Act to regulate processes in the courts of the United States.

*Be it enacted, &c.,* That all writs and processes, issuing from a Supreme or circuit court, shall bear teste of the chief justice of the Supreme Court, and if from a district court, shall bear teste of the judge of such court, and shall be under the seal of the court from whence they issue, and signed by the clerk thereof: The seals of the Supreme and circuit courts to be provided by the Supreme Court, and of the district courts, by the respective judges of the same.

Sec. 2. *And be it further enacted,* That until further provision shall be made, and except where, by this act, or other statutes of the United States, is otherwise provided, the forms of writs and executions, except their style, and modes of process and rates of fees, except fees to judges in the circuit and district courts, in suits at common law, shall be the same in each State respectively as are now used or allowed in the Supreme Courts of the same. And the forms and modes of proceedings in causes of equity, and of admiralty and maritime jurisdiction shall be according to the course of the civil law; and the rates of the fees, the same as are, or were last allowed by the States respectively, in the court exercising supreme jurisdiction in such causes. *Provided,* That on judgments in any of the cases aforesaid, where different kinds of executions are issuable in succession, a *capias ad satisfaciendum* being one, the plaintiff shall have his election to take out a *capias ad satisfaciendum* in the first instance, and be at liberty to pursue the same, until a tender of the debt and costs in gold or silver shall be made.

Sec. 3. *And be it further enacted,* That this act shall continue in force until the end of the next session of Congress, and no longer.

Approved, September 29, 1789.

An Act to explain and amend an act, entitled "An act for registering and clearing vessels, regulating the coasting trade, and for other purposes."

*Be it enacted, &c.,* That when any goods, wares, or merchandise, of foreign growth or manufacture, shall be unladen from any ship or vessel in virtue of a permit, obtained for that purpose, and shall be put into a craft or vessel, with intent to be transported to a landing within the same district, it shall be the duty of the inspector, or other officer attending the unloading of such goods, wares, and merchandise, to deliver to the master or commander of every such craft or vessel a certificate of such goods, wares, and merchandise having been duly entered, and a permit granted therefore; and such certificate shall contain a description of all the packages, with their marks and numbers, and

shall authorize the transportation and landing of the same at any landing within the same district, without any further fee or permit, any thing in the said recited act to the contrary notwithstanding.

Sec. 2. *And be it further enacted,* That so much of the twenty-second section of the said recited act, as exempts vessels of less than twenty and not less than five tons burthen, employed between any of the districts of the United States, in any bay or river, and having a license from the collector of the district to which such vessel belongs, from entering and clearing for the term of one year, be extended to vessels not exceeding fifty tons. *Provided,* such vessel shall not have on board goods, wares, or merchandise other than such as are actually the growth or produce of the United States.

Sec. 3. *And be it further enacted,* That so much of an act entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises imported into the United States, as hath rated the ruble of Russia at one hundred cents, be, and the same is hereby repealed and made null and void.

Approved, September 29, 1789.

An Act making appropriations for the service of the present year.

*Be it enacted, &c.,* That there be appropriated for the services of the present year, to be paid out of the moneys which arise, either from the requisitions heretofore made upon the several States, or from the duties on imposts and tonnage, the following sums, viz: a sum not exceeding two hundred and sixteen thousand dollars for defraying the expenses of the civil list under the late and present Government; a sum not exceeding one hundred and thirty-seven thousand dollars for defraying the expenses of the department of War; a sum not exceeding one hundred and ninety thousand dollars for discharging the warrants issued by the late board of Treasury, and remaining unsatisfied; and a sum not exceeding ninety-six thousand dollars for paying the pensions to invalids.

Approved, September 29, 1789.

An Act providing for the payment of the invalid pensioners of the United States.

*Be it enacted, &c.* That the military pensions which have been granted and paid by the States respectively, in pursuance of the acts of the United States in Congress assembled, to the invalids who were wounded and disabled during the late war, shall be continued and paid by the United States, from the fourth of March last, for the space of one year, under such regulations as the President of the United States may direct.

Approved, September 29, 1789.



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An Act to recognise and adapt to the Constitution of the United States, the establishment of the troops raised under the resolves of the United States, in Congress assembled, and for other purposes therein mentioned.

*Be it enacted, &c.,* That the establishment contained in the resolve of the late Congress, of the third day of October, one thousand seven hundred and eighty-seven, except as to the mode of appointing the officers; and also as is hereinafter provided, be, and the same is hereby recognised to be the establishment for the troops in the service of the United States.

Sec. 2. *And be it further enacted,* That the pay and allowances of the said troops be the same as have been established by the United States, in Congress assembled, by their resolution of the twelfth of April, one thousand seven hundred and eighty-five.

Sec. 3. *And be it further enacted,* That all commissioned and noncommissioned officers, and privates, who are, or shall be, in the service of the United States, shall take the following oaths or affirmations, to wit: "I, A. B., do solemnly swear or affirm (as the case may be) that I will support the Constitution of the United States," "I, A. B., do solemnly swear or affirm (as the case may be) to bear true allegiance to the United States of America, and to serve them honestly and faithfully against all their enemies or opposers whatsoever, and to observe and obey the orders of the President

of the United States of America, and the orders of the officers appointed over me."

Sec. 4. *And be it further enacted,* That the said troops shall be governed by the rules and articles of war, which have been established by the United States, in Congress assembled, or by such rules and articles of war as may hereafter by law be established.

Sec. 5. *And be it further enacted,* That for the purpose of protecting the inhabitants of the frontiers of the United States from the hostile incursions of the Indians, the President is hereby authorized to call into service, from time to time, such part of the militia of the States, respectively, as he may judge necessary for the purpose, aforesaid; and that their pay and subsistence, while in service, be the same as the pay and subsistence of the troops abovementioned.

Sec. 6. *And be it further enacted,* That this act shall continue, and be in force, until the end of the next session of Congress, and no longer.

Approved, September 29, 1789.

An Act to alter the time for the next meeting of Congress.

*Be it enacted, &c.,* That after the adjournment of the present session, the next meeting of Congress shall be on the first Monday in January next.

Approved, September 29, 1789.

## ACTS OF THE SECOND SESSION OF THE FIRST CONGRESS.

An Act for giving effect to the several acts therein mentioned, in respect to the State of North Carolina, and other purposes.

*Be it enacted, &c.,* That the several and respective duties specified and laid, in and by the act entitled "An act for laying a duty on goods, wares, and merchandises imported into the United States;" and in and by the act entitled "An act imposing duties on tonnage," shall be paid and collected upon all goods, wares, and merchandises, which, after the expiration of thirty days from the passing of this act, shall be imported into the State of North Carolina from any foreign port or place, and upon the tonnage of all ships and vessels, which after the said day shall be entered within the said State of North Carolina, subject to the exceptions, qualifications, allowances, and abatements, in the said acts contained or expressed; which acts shall be deemed to have the like force and operation within the said State of North Carolina, as elsewhere within the United States.

Sec. 2. *And be it further enacted,* That for the due collection of the said duties there shall be, in the said State of North Carolina, five districts; one to be called the district of Wilmington, and to comprehend all the waters, shores, bays, harbors, creeks, and inlets, from Little River Inlet inclusive, to New River Inlet inclusive: another to be called the district of Newbern, and to comprehend all the waters, shores, bays, harbors, creeks, and inlets, from New River Inlet exclusive, to Ocracock Inlet inclusive, together with Pamlico Sound, (except that part of it into which the Pamlico, or Tarr, and Machapunga rivers empty themselves, and which lies between the Royal Shoal, extended to Machapunga Bluff, and the shoal which projects from the mouth of Pamlico river towards the Royal Shoal:) another to be called the district of Washington, and to comprehend all that part of Pamlico Sound excepted out of the district of Newbern, and the waters, shores, bays, harbors, creeks, and inlets, adjacent to, and communicating with the

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same: another to be called the district of Edenton, and to comprehend all the waters, bays, harbors, creeks, and inlets, from the channel between Pamlico Sound and Albemarle Sound inclusive: the other to be called the district of Camden, and to comprehend North River, Pasquotank, and Little Rivers, and all the waters, shores, bays, harbors, creeks, and inlets, from the junction of Currituck and Albemarle Sound to the northern extremity of Back Bay. That in the district of Wilmington, the town of Wilmington shall be a port of entry and delivery, and Swansborough a port of delivery only; and there shall be a collector, naval officer, and a surveyor to reside at the said town of Wilmington, and a surveyor to reside at Swansborough. That in the district of Newbern, the town of Newbern shall be a port of entry and delivery, and the town of Beaufort a port of delivery only; and there shall be a collector to reside at Newbern, and a surveyor to reside at Beaufort. That in the district of Washington, the town of Washington shall be the sole port of entry and delivery, and there shall be a collector to reside at the same. That in the district of Edenton, the town of Edenton shall be a port of entry and delivery; and Hartford, Murfreesborough, Plymouth, Windsor, Skewarkey, Winton, and Bennet's Creek, ports of delivery; and there shall be a collector at the town of Edenton, and a surveyor at Hartford, another surveyor at Murfreesborough, one surveyor at each of the ports of Plymouth, Windsor, Skewarkey, Winton, and Bennet's Creek. That all ships or vessels, intending to proceed to Hartford, Plymouth, Windsor, Skewarkey, Winton, Bennet's Creek, or Murfreesborough shall first come to and enter at the port of Edenton. That in the district of Camden, Plankbridge, on Sawyer's Creek, shall be the port of entry and delivery, and Nixonton, Indiantown, Newbiggin Creek, Currituck Inlet, and Pasquotank River Bridge, ports of delivery; and there shall be a collector at Plankbridge on Sawyer's Creek, and a surveyor at each of the ports of Nixonton, Indiantown, Currituck Inlet, Pasquotank River Bridge, and Newbiggin Creek: and that the authority of the officers of each district shall extend over all the waters, shores, bays, harbors, creeks, and inlets comprehended within such district.

Sec. 3. *And be it further enacted*, That the ports of Wilmington, Newbern, Washington, and Edenton shall be the sole ports of entry within the said State of North Carolina, for ships or vessels not registered or licensed within the United States, according to law, and for all ships or vessels whatsoever, which shall arrive from the Cape of Good Hope, or any place beyond the same.

Sec. 4. *And be it further enacted*, That all the regulations, provisions, exceptions, allowances, compensations, directions, authorities, penalties, forfeitures, and other matters whatsoever, contained or expressed in the act, enti-

tled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States," and not locally inapplicable, shall have the like force and effect within the said State of North Carolina, for the collection of the said duties, as elsewhere within the United States, and as if the same were repeated, and re-enacted in this present act.

Sec. 5. *Provided always, and be it declared*, That the thirty-ninth section of the said act, and the third section of an act entitled "An act to suspend part of an act, entitled 'An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States, and for other purposes,'" did, by virtue of the adoption of the Constitution of the United States, by the said State of North Carolina, cease to operate in respect to the same.

Sec. 6. *And be it further enacted and declared*, That the act entitled "An act for registering and clearing vessels, regulating the coasting trade, and for other purposes," shall, after the expiration of thirty days from the passing of this act, have the like force and operation within the said State of North Carolina, as elsewhere within the United States, and as if the several clauses thereof were repeated, and re-enacted in this present act.

Sec. 7. *And be it further enacted*, That the second section of the act, entitled "An act to suspend part of an act, entitled 'An act to regulate the collection of duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States, and for other purposes,'" passed the sixteenth day of September last, shall, with respect to the inhabitants and citizens of the State of Rhode Island and Providence Plantations, be revived, and also that the fourth section of the said act shall be revived, and both continued in force until the first day of April next, and no longer.

FRED. A. MUHLENBERG,  
*Speaker of the House of Representatives.*

JOHN ADAMS,  
*Vice President of the United States and  
President of the Senate.*

APPROVED, February 8, 1790.

GEORGE WASHINGTON,  
*President of the United States.*

An Act providing for the enumeration of the inhabitants of the United States.

*Be it enacted, &c.*, That the marshals of the several districts of the United States shall be, and they are hereby authorized and required to cause the number of the inhabitants within their respective districts to be taken; omitting in such enumeration Indians not taxed, and distinguishing free persons, including those bound to service for a term of years from all others;

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distinguishing also the sexes and colors of free persons, and the free males of sixteen years and upwards from those under that age; for effecting which purpose the marshals shall have power to appoint as many assistants within their respective districts as to them shall appear necessary; assigning to each assistant a certain division of his district, which division shall consist of one or more counties, cities, towns, townships, hundreds, or parishes, or of a territory plainly and distinctly bounded by water courses, mountains, or public roads. The marshals and their assistants shall respectively take an oath or affirmation before some judge or justice of the peace resident within their respective districts, previous to their entering on the discharge of the duties by this act required. The oath or affirmation of the marshal shall be, "I, A. B. marshal of the district of \_\_\_\_\_ do solemnly swear (or affirm) that I will well and truly cause to be made, a just and perfect enumeration and description of all persons resident within my district, and return the same to the President of the United States, agreeably to the directions of an act of Congress, entitled 'An act providing for the enumeration of the inhabitants of the United States,' according to the best of my ability." The oath or affirmation of an assistant shall be, "I, A. B. do solemnly swear (or affirm) that I will make a just and perfect enumeration and description of all persons resident within the division assigned to me by the marshal of the district of \_\_\_\_\_, and make due return thereof to the said marshal, agreeably to the directions of an act of Congress, entitled 'An act providing for the enumeration of the inhabitants of the United States,' according to the best of my ability." The enumeration shall commence on the first Monday in August next, and shall close within nine calendar months thereafter: the several assistants shall, within the said nine months, transmit to the marshals, by whom they shall be respectively appointed, accurate returns of all persons, except Indians not taxed, within their respective divisions, which returns shall be made in a schedule, distinguishing the several families by the names of their master, mistress, steward, overseer, or other principal person therein, in manner following, that is to say:

The number of persons within my division, consisting of \_\_\_\_\_, appears in a schedule hereunto annexed, subscribed by me this \_\_\_\_\_ day of \_\_\_\_\_ 1790.

A. B. assistant to the marshal of \_\_\_\_\_

Schedule of the whole Number of Persons within the Division allotted to A. B.

Names of the heads of families	Free white males of 16 years, and upwards, including heads of families.	Free white males under 16 years.	Free white females, including heads of families.	All other free persons.	Total

Sec. 2. *And be it further enacted*, That every assistant failing to make return, or making a false return of the enumeration to the marshal within the time by this act limited, shall forfeit the sum of two hundred dollars.

Sec. 3. *And be it further enacted*, That the marshals shall file the several returns aforesaid, with the clerks of their respective district courts, who are hereby directed to receive and carefully preserve the same; and the marshals respectively shall, on or before the first day of September, one thousand seven hundred and ninety-one, transmit to the President of the United States, the aggregate amount of each description of persons within their respective districts. And every marshal failing to file the returns of his assistants, or any of them, with the clerks of their respective district courts, or failing to return the aggregate amount of each description of persons in their respective districts, as the same shall appear from said returns, to the President of the United States, within the time limited by this act, shall, for every such offence, forfeit the sum of eight hundred dollars; all which forfeitures shall be recoverable in the courts of the districts where the offences shall be committed, or in the circuit courts to be held within the same, by action of debt, information, or indictment; the one half thereof to the use of the United States, and the other half to the informer: but where the prosecution shall be first instituted on behalf of the United States, the whole shall accrue to their use. And for the more effectual discovery of offences, the judges of the several district courts, at their next sessions to be held after the expiration of the time allowed for making the returns of the enumeration hereby directed to the President of the United States, shall give this act in charge to the grand juries in their respective courts, and shall cause the returns of the several assistants to be laid before them for their inspection.

Sec. 4. *And be it further enacted*, That every assistant shall receive at the rate of one dollar for every one hundred and fifty persons by him returned, where such persons reside in the country, and where such persons reside in a city or town, containing more than five thousand persons, such assistant shall receive at the rate of one dollar for every three hundred persons; but where, from the dispersed situation of the inhabitants in some divisions, one dollar for every one hundred and fifty persons shall be insufficient, the marshals, with the approbation of the judges of their respective districts, may make such further allowance to the assistants in such divisions as shall be deemed an adequate compensation, provided the same does not exceed one dollar for every fifty persons by them returned. The several marshals shall receive as follows: the marshal of the district of Maine, two hundred dollars; the marshal of the district of New Hampshire, two hundred dollars; the marshal of the district of Massachusetts, three hundred dollars; the marshal

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of the district of Connecticut, two hundred dollars; the marshal of the district of New York, three hundred dollars; the marshal of the district of New Jersey, two hundred dollars; the marshal of the district of Pennsylvania, three hundred dollars; the marshal of the district of Delaware, one hundred dollars; the marshal of the district of Maryland, three hundred dollars; the marshal of the district of Virginia, five hundred dollars; the marshal of the district of Kentucky, two hundred and fifty dollars; the marshal of the district of North Carolina, three hundred and fifty dollars; the marshal of the district of South Carolina, three hundred dollars; the marshal of the district of Georgia, two hundred and fifty dollars. And to obviate all doubts which may arise respecting the persons to be returned, and the manner of making returns,

*Sec. 5. Be it enacted,* That every person whose usual place of abode shall be in any family on the aforesaid first Monday in August next shall be returned as of such family; and the name of every person, who shall be an inhabitant of any district, but without a settled place of residence, shall be inserted in the column of the aforesaid schedule which is allotted for the heads of families, in that division where he or she shall be on the said first Monday in August next, and every person occasionally absent at the time of the enumeration, as belonging to that place in which he usually resides in the United States.

*Sec. 6. And be it further enacted,* That each and every person more than sixteen years of age, whether heads of families or not, belonging to any family within any division of a district made or established within the United States shall be, and hereby is, obliged to render to such assistant of the division, a true account, if required, to the best of his or her knowledge, of all and every person belonging to such family respectively, according to the several descriptions aforesaid, on pain of forfeiting twenty dollars, to be sued for and recovered by such assistant, the one half for his own use, and the other half for the use of the United States.

*Sec. 7. And be it further enacted,* That each assistant shall, previous to making his return to the marshal, cause a correct copy, signed by himself, of the schedule, containing the number of inhabitants within his division, to be set up at two of the most public places within the same, there to remain for the inspection of all concerned; for each of which copies the said assistant shall be entitled to receive two dollars, provided proof of a copy of the schedule having been so set up and suffered to remain shall be transmitted to the marshal, with the return of the number of persons; and in case any assistant shall fail to make such proof to the marshal, he shall forfeit the compensation by this act allowed him.

Approved, March 1, 1790.

An Act to establish a uniform rule of naturalization.

*Be it enacted, &c.,* That any alien, being a free white person, who shall have resided within the limits and under the jurisdiction of the United States for the term of two years, may be admitted to become a citizen thereof, on application to any common law court of record in any one of the States wherein he shall have resided for the term of one year at least, and making proof, to the satisfaction of such court, that he is a person of good character, and taking the oath or affirmation prescribed by law, to support the Constitution of the United States, which oath or affirmation such court shall administer; and the clerk of such court shall record such application, and the proceedings thereon; and thereupon such person shall be considered as a citizen of the United States. And the children of such persons so naturalized, dwelling within the United States, being under the age of twenty-one years, at the time of such naturalization, shall also be considered as citizens of the United States. And the children of citizens of the United States, that may be born beyond sea, or out of the limits of the United States, shall be considered as natural born citizens. *Provided,* That the right of citizenship shall not descend to persons whose fathers have never been resident in the United States. *Provided also,* That no person heretofore proscribed by any State shall be admitted a citizen aforesaid, except by an act of the Legislature of the State in which such person was proscribed.

Approved, March 26, 1790.

An Act making appropriations for the support of Government, for the year one thousand seven hundred and ninety.

*Be it enacted, &c.,* That there be appropriated for the service of the year one thousand seven hundred and ninety, to be paid out of the moneys arising from the duties on imports and tonnage, the following sums, to wit: a sum not exceeding one hundred and forty-one thousand four hundred and ninety-two dollars, and seventy-three cents, for defraying the expenses of the civil list, as estimated by the Secretary of the Treasury, in the statement annexed to his report made to the House of Representatives on the ninth day of January last, including therein the contingencies of the several executive officers, which are hereby authorized and granted; and also, a sum not exceeding one hundred and fifty-five thousand five hundred and thirty-seven dollars, and seventy-two cents for defraying the expenses of the Department of War; and the further sum of ninety-six thousand nine hundred and seventy-nine dollars, and seventy-two cents for paying the pensions which may become due to the invalids, as estimated in the statements accompanying the aforesaid report.

*Sec. 2. And be it further enacted,* That all the expenses arising from, and incident to the

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sessions of Congress, which may happen in the course of the aforesaid year, agreeably to laws heretofore passed, shall be defrayed out of the moneys arising from the aforesaid duties on imports and tonnage.

Sec. 3. *And be it further enacted*, That the President of the United States be authorized to draw from the Treasury a sum not exceeding ten thousand dollars for the purpose of defraying the contingent charges of Government, to be paid out of the moneys arising as aforesaid from the duties on imports and tonnage; and that he cause a regular statement and account of such expenditures to be laid before Congress at the end of the year.

Sec. 4. *And be it further enacted*, That a sum not exceeding one hundred and forty-seven thousand one hundred and sixty-nine dollars and fifty-four cents be appropriated out of the moneys arising as aforesaid from the duties on imports and tonnage for discharging the demands which exist against the United States, as specified by the Secretary of the Treasury in his report made to the House of Representatives on the first of March instant, including therein a provision for building a light-house on Cape Henry in the State of Virginia, and for defraying the expenses arising from the act, entitled "An act for the establishment and support of light-houses, beacons, buoys, and public piers."

Sec. 5. *And be it further enacted*, That out of the aforesaid appropriation of one hundred and forty-seven thousand one hundred and sixty-nine dollars and fifty-four cents the payment of the following sums, not heretofore provided for by law, and estimated in the aforesaid report of the Secretary of the Treasury of the first of March instant, is hereby authorized and intended to be made, to wit: for the expenses of the late office of foreign affairs, six hundred and fifty dollars; to Roger Alden, for his services, including his office expenses, and the allowance to his clerks, eight hundred and seventy-three dollars and seventy cents; to the late commissioner for settling the accounts of the departments of the late quartermaster-general and commissaries general of purchases and issues, for his own and clerk's services, from the eighth of May to the first of August, one thousand seven hundred and eighty-nine, one thousand and ten dollars and fifty-five cents; to the late commissioner for settling the accounts of the late marine, clothing, and hospital departments, for his own and clerk's services, from the eighth of May to the third of August, one thousand seven hundred and eighty-nine, six hundred and twenty-eight dollars and twenty-six cents; to the late commissioner for adjusting the accounts of the secret and commercial committees of Congress, for his salary from the first of July to the third of August, one thousand seven hundred and eighty-nine, one hundred and seventy-four dollars and sixteen cents; for defraying the extraordinary expenses of the late President of Congress, three hundred and eighteen dollars and

fifty-three cents; for paying salaries to the late loan-officers of the several States, from the thirtieth day of June, to the thirty-first day of December, one thousand seven hundred and eighty-nine, including office charges, six thousand seven hundred and twenty-five dollars; for paying the interest due on the loans made by the Secretary of the Treasury two thousand four hundred and fourteen dollars and sixty-one cents.

Sec. 6. *And be it further enacted*, That the sum of one hundred and twenty dollars be paid out of the moneys arising from the aforesaid duties on imports and tonnage, to Jehoiakim McTosin, in full compensation for his services as an interpreter and guide in the expedition commanded by Major-general Sullivan, in the year one thousand seven hundred and seventy-nine; and also the sum of ninety-six dollars to James Mathers and Gifford Dalley each, for services during the late recess of Congress.

Sec. 7. *And be it further enacted*, That the President of the United States be authorized to empower the Secretary of the Treasury, if he shall deem it necessary, to make such loans as may be requisite to carry into effect the foregoing appropriations, for the repayment of which the aforesaid duties on imports and tonnage shall be, and are hereby pledged.

Approved, March 26, 1790.

An Act to prevent the exportation of goods not duly inspected according to the laws of the several States.

*Be it enacted, &c.*, That the collectors and other officers of the customs in the several ports of the United States be, and they are hereby directed to pay due regard to the inspection laws of the States in which they may respectively act, in such manner that no vessel, having on board goods liable to inspection, shall be cleared out until the master or other proper person shall have produced such certificate that all such goods have been duly inspected, as the laws of the respective States do or may require to be produced to collectors or other officers of the customs.

Approved, April 2, 1790.

An Act to accept a session of the claims of the State of North Carolina to a certain district of Western Territory.

A deed of session having been executed, and in the Senate offered for acceptance to the United States, of the claims of the State of North Carolina, to a district of territory therein described; which deed is in the words following, viz:

*To all who shall see these presents,*

We, the underwritten SAMUEL JOHNSTON and BENJAMIN HAWKINS, Senators in the Congress of the United States of America, duly and constitutionally chosen by the Legislature of the State of North Carolina; send greeting.

Whereas, the General Assembly of the State of North Carolina, on the — day of December, in the year of our Lord one thousand seven hundred and eighty-nine, passed an act, entitled "An act for the purpose of ceding to the United States of America certain Western lands therein described," in the words following, to wit:

Whereas the United States in Congress assembled have repeatedly and earnestly recommended to the respective States in the Union, claiming or owning vacant Western Territory, to make cessions of part of the same, as a further means, as well of hastening the extinguishment of the debts, as of establishing the harmony of the United States; and the inhabitants of the said Western Territory being also desirous that such cession should be made, in order to obtain a more ample protection than they have heretofore received; now this State, being ever desirous of doing ample justice to the public creditors, as well as the establishing the harmony of the United States, and complying with the reasonable desires of her citizens; *Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same,* That the Senators of this State, in the Congress of the United States, or one of the Senators and any two of the Representatives of this State in the Congress of the United States, are hereby authorized, empowered, and required to execute a deed or deeds on the part and behalf of this State, conveying to the United States of America, all right, title, and claim which this State has to the sovereignty and territory of the lands situated within the chartered limits of this State, west of a line beginning on the extreme height of the Stone Mountain, at the place where the Virginia line intersects it; running thence along the extreme height of the said mountain, to the place where Wataugo river breaks through it; thence a direct course to the top of the Yellow Mountain, where Bright's Road crosses the same; thence along the ridge of the said mountain, between the waters of Doe River and the waters of Rock Creek, to the place where the road crosses the Iron Mountain; from thence along the extreme height of said mountain, to where Nolichucky River runs through the same; thence to the top of the Bald Mountain; thence along the extreme height of the said mountain, to the Painted Rock, on French Broad River; thence along the highest ridge of the said mountain, to the place where it is called the Great Iron or Smoky Mountain; thence along the extreme height of the said mountain, to the place where it is called Unicoy or Unaka Mountain, between the Indian towns of Cowee and old Chota; thence along the main ridge of the said mountain, to the southern boundary of this State, upon the following express conditions, and subject thereto, that is to say: First, That neither the lands nor inhabitants westward of the said mountain shall be estimated after the cession made by virtue of this act shall

be accepted, in the ascertaining the proportion of this State with the United States, in the common expense occasioned by the late war. Secondly, that the lands laid off, or directed to be laid off by any act or acts of the General Assembly of this State, for the officers and soldiers thereof, their heirs and assigns respectively, shall be and enure to the use and benefit of the said officers, their heirs and assigns respectively; and if the bounds of the said lands already prescribed for the officers and soldiers of the continental line of this State, shall not contain a sufficient quantity of lands fit for cultivation, to make good the several provisions intended by law, that such officer or soldier, or his assignee, who shall fall short of his allotment or proportion, after all the lands fit for cultivation within the said bounds are appropriated, be permitted to take his quota, or such part thereof as may be deficient, in any other part of the said territory intended to be ceded by virtue of this act, not already appropriated. And where entries have been made agreeable to law, and titles under them not perfected by grant or otherwise, then, and in that case, the Governor for the time being shall be, and he is hereby, required to perfect, from time to time, such titles, in such manner as if this act had never been passed. And that all entries made by, or grants made to all and every person or persons whatsoever, agreeable to law, and within the limits hereby intended to be ceded to the United States, shall have the same force and effect as if such cession had not been made; and that all and every right of occupancy and pre-emption, and every other right reserved by any act or acts to persons settled on, and occupying lands within the limits of the lands hereby intended to be ceded as aforesaid, shall continue to be in full force, in the same manner as if the cession had not been made, and as conditions upon which the said lands are ceded to the United States. And further, it shall be understood, that if any person or persons shall have, by virtue of the act entitled "An act for opening the land office for the redemption of specie and other certificates, and discharging the arrears due to the army," passed in the year one thousand seven hundred and eighty-three, made his or their entry in the office usually called John Armstrong's office, and located the same to any spot or piece of ground on which any other person or persons shall have previously located any entry or entries, that then and in that case, the person or persons having made such entry or entries, or their assignee or assignees shall have leave and be at full liberty to remove the location of such entry or entries, to any lands on which no entry has been specially located, or on any vacant lands included within the limits of the lands hereby intended to be ceded. *Provided,* That nothing herein contained shall extend or be construed to extend to the making good any entry or entries, or any grant or grants heretofore declared void, by any act or acts of the General Assembly of this State. Thirdly,



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that all the lands intended to be ceded by virtue of this act to the United States of America, and not appropriated as before mentioned, shall be considered as a common fund for the use and benefit of the United States of America, North Carolina inclusive, according to their respective and usual proportion in the general charge and expenditure, and shall be faithfully disposed of for that purpose, and for no other use or purpose whatever. Fourthly, that the territory so ceded shall be laid out and formed into a State or States, containing a suitable extent of territory, the inhabitants of which shall enjoy all the privileges, benefits, and advantages set forth in the ordinance of the late Congress, for the government of the Western Territory of the United States; that is to say, whenever the Congress of the United States shall cause to be officially transmitted to the Executive Authority of this State, an authenticated copy of the act to be passed by the Congress of the United States, accepting the cession of territory made by virtue of this act, under the express conditions hereby specified, the said Congress shall at the same time assume the government of the said ceded territory, which they shall execute in a manner similar to that which they support in the territory west of the Ohio; shall protect the inhabitants against enemies, and shall never bar or deprive them of any privileges which the people in the territory west of the Ohio enjoy. *Provided always*, That no regulations made or to be made by Congress shall tend to emancipate slaves. Fifthly, that the inhabitants of the said ceded territory shall be liable to pay such sums of money, as may, from taking their census, be their just proportion of the debt of the United States, and the arrears of the requisitions of Congress on this State. Sixthly, that all persons indebted to this State, residing in the territory intended to be ceded by virtue of this act, shall be held and deemed liable to pay such debt or debts in the same manner, and under the same penalty or penalties as if this act had never been passed. Seventhly, that if the Congress of the United States do not accept the cession hereby intended to be made, in due form, and give official notice thereof to the Executive of this State, within eighteen months from the passing of this act, then this act shall be of no force or effect whatsoever. Eighthly, that the laws in force and use in the State of North Carolina, at the time of passing this act, shall be, and continue in full force within the territory hereby ceded, until the same shall be repealed, or otherwise altered by the legislative authority of the said territory. Ninthly, that the lands of non-resident proprietors within the said ceded territory shall not be taxed higher than the lands of residents. Tenthly, that this act shall not prevent the people now residing south of French Broad, between the rivers Tennessee and Big Pigeon, from entering their pre-emptions in that tract, should an office be opened for that purpose, under an act of the present General

Assembly. *And be it further enacted by the authority aforesaid*, That the sovereignty and jurisdiction of this State, in and over the territory aforesaid, and all and every the inhabitants thereof shall be and remain the same in all respects until the Congress of the United States shall accept the cession to be made by virtue of this act, as if this act had never passed.

Read three times, and ratified in General Assembly, the \_\_\_\_\_ day of December, A. D. 1789.

CHA. JOHNSON, *Sp. Sen.*  
S. CABARRUS, *Sp. H. C.*

*Now therefore know ye*, That we, SAMUEL JOHNSTON and BENJAMIN HAWKINS, Senators aforesaid, by virtue of the power and authority committed to us by the said act, and in the name, and for and on behalf of the said State, do, by these presents convey, assign, transfer, and set over unto the United States of America, for the benefit of the said States, North Carolina inclusive, all right, title, and claim which the said State hath to the sovereignty and territory of the lands situated within the chartered limits of the said State, as bounded and described in the above recited act of the General Assembly, to and for the uses and purposes, and on the conditions mentioned in the said act.

In witness whereof, we have hereunto subscribed our names, and affixed our seals, in the Senate chamber, at New York, this twenty-fifth day of February, in the year of our Lord, one thousand seven hundred and ninety, and in the fourteenth year of the independence of the United States of America.

SAM. JOHNSTON, (L. S.)  
BENJAMIN HAWKINS. (L. S.)

Signed, sealed, and delivered  
in the presence of  
SAM. A. OTIS.

*Be it enacted, &c.*, That the said deed be, and the same is hereby, accepted.  
Approved, April 2, 1790.

An act to promote the progress of useful arts.

*Be it enacted, &c.*, That upon the petition of any person or persons to the Secretary of State, the Secretary for the Department of War, and the Attorney General of the United States, setting forth, that he, she, or they hath or have invented or discovered any useful art, manufacture, engine, machine, or device, or any improvement therein, not before known or used, and praying that a patent may be granted therefor, it shall and may be lawful to and for the said Secretary of State, the Secretary for the Department of War, the Attorney General, or any two of them, if they shall deem the invention or discovery sufficiently useful and important, to cause letters patent to be made out in the name of the United States, to bear teste by the President of the United States, reciting the allegations and suggestions of the

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said petition, and describing the said invention or discovery, clearly, truly, and fully; and thereupon granting to such petitioner or petitioners, his, her, or their heirs, administrators, or assigns, for any term not exceeding fourteen years, the sole and exclusive right and liberty of making, constructing, using, and vending to others to be used, the said invention or discovery; which letters patent shall be delivered to the Attorney General of the United States, to be examined, who shall, within fifteen days next after the delivery to him, if he shall find the same conformable to this act, certify it to be so at the foot thereof, and present the letters patent so certified to the President, who shall cause the seal of the United States to be thereon affixed, and the same shall be good and available to the grantee or grantees, by force of this act, to all and every intent and purpose herein contained, and shall be recorded in a book to be kept for that purpose, in the office of the Secretary of State, and delivered to the patentee or his agent; and the delivery thereof shall be entered on the record, and endorsed on the patent by the said Secretary at the time of granting the same.

Sec. 2. *And be it further enacted*, That the grantee or grantees of each patent shall, at the time of granting the same, deliver to the Secretary of State a specification in writing, containing a description, accompanied with draughts or models, and explanations and models, (if the nature of the invention or discovery will admit of a model,) of the thing or things, by him or them invented, or discovered, and described as aforesaid in the said patents; which specification shall be so particular, and said models so exact, as not only to distinguish the invention or discovery from other things before known and used, but also to enable a workman or other person skilled in the art or manufacture whereof it is a branch, or wherewith it may be nearest connected, to make, construct, or use the same, to the end that the public may have the full benefit thereof, after the expiration of the patent term; which specification shall be filed in the office of the said Secretary, and certified copies thereof shall be competent evidence in all courts, and before all jurisdictions, where any matter, or thing, touching or concerning such patent right or privilege, shall come in question.

Sec. 3. *And be it further enacted*, That upon the application of any person to the Secretary of State, for a copy of any such specification, and for permission to have similar model or models made, it shall be the duty of the Secretary to give such copy, and to permit the person so applying for a similar model or models, to take or make, or cause the same to be taken or made, at the expense of such applicant.

Sec. 4. *And be it further enacted*, That if any person or persons shall devise, make, construct, use, employ, or vend, within these United States, any art, manufacture, engine,

machine, or device, or any invention or improvement upon, or in any art, manufacture, engine, machine, or device, the sole and exclusive right of which shall be so as aforesaid granted by patent to any person or persons, by virtue and in pursuance of this act, without the consent of the patentee or patentees, their executors, administrators, or assigns, first had and obtained in writing, every person so offending shall forfeit and pay to the said patentee or patentees, his, her, or their executors, administrators, or assigns, such damages as shall be assessed by a jury, and moreover shall forfeit to the person aggrieved the thing or things so devised, made, constructed, used, employed, or vended, contrary to the true intent of this act, which may be recovered in an action on the case, founded on this act.

Sec. 5. *And be it further enacted*, That upon oath or affirmation, made before the judge of the district court, where the defendant resides, that any patent which shall be issued in pursuance of this act was obtained surreptitiously, by or upon false suggestion, and motion made to the said court, within one year after issuing the said patent, but not afterwards, it shall and may be lawful to and for the judge of the said district court, if the matter alleged shall appear to him to be sufficient, to grant a rule that the patentee or patentees, his, her, or their executors, administrators, or assigns show cause why process should not issue against him, her, or them, to repeal such patents; and if sufficient cause shall not be shown to the contrary, the rule shall be made absolute, and thereupon the said judge shall order process to be issued as aforesaid, against such patentee or patentees, his, her, or their executors, administrators, or assigns. And in case no sufficient cause shall be shown to the contrary, or if it shall appear that the patentee was not the first and true inventor or discoverer, judgment shall be rendered by such court, for the repeal of such patent or patents; and if the party at whose complaint the process issued, shall have judgment given against him, he shall pay all such costs as the defendant shall be put to in defending the suit, to be taxed by the court, and recovered in such manner as costs expended by defendants shall be recovered in due course of law.

Sec. 6. *And be it further enacted*, That in all actions to be brought by such patentee or patentees, his, her, or their executors, administrators, or assigns, for any penalty incurred by virtue of this act, the said patents or specifications shall be *prima facie* evidence that the said patentee or patentees was or were the first and true inventor or inventors, discoverer or discoverers of the thing so specified, and that the same is truly specified; but that, nevertheless, the defendant or defendants may plead the general issue, and give this act, and any special matter whereof notice in writing shall have been given to the plaintiff, or his attorney, thirty days before the trial, in evidence, tend-

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ing to prove that the specification filed by the plaintiff does not contain the whole of the truth concerning his invention or discovery; or that it contains more than is necessary to produce the effect described; and if the concealment of part, or the addition of more than is necessary, shall appear to have been intended to mislead, or shall actually mislead the public, so as the effect described cannot be produced by the means specified, then, and in such cases, the verdict and judgment shall be for the defendant.

Sec. 7. *And be it further enacted*, That such patentee as aforesaid shall, before he receives his patent, pay the following fees to the several officers employed in making out and perfecting the same, to wit: for receiving and filing the petition, fifty cents; for filing specifications, per copy sheet, containing one hundred words, ten cents; for making out patent, two dollars; for affixing great seal, one dollar; for endorsing the day of delivering the same to the patentee, including all intermediate services, twenty cents.

Approved, April 10, 1790.

An Act further to suspend part of an act, entitled "An act to regulate the collection of duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States," and to amend the said act.

*Be it enacted, &c.*, That so much of an act, entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States," as obliges ships or vessels bound up the river Potomac to come to, and deposite manifests of their cargoes with the officers at Saint Mary's and Yeocomico, before they proceed to their port of delivery, shall be, and is hereby, further suspended, from the first of May, next, to the first of May, in the year one thousand seven hundred and ninety-one.

Sec. 2. *And be it further enacted*, That the landing places in Windsor and East Windsor in the State of Connecticut shall be ports of delivery, and be included in the district of New London.

Approved, April 15, 1790.

An Act for the punishment of certain crimes against the United States.

*Be it enacted, &c.*, That if any person or persons, owing allegiance to the United States of America shall levy war against them, or shall adhere to their enemies, giving them aid and comfort within the United States or elsewhere, and shall be thereof convicted, on confession in open court, or on the testimony of two witnesses to the same overt act of the treason whereof he or they shall stand indicted, such person or persons shall be adjudged guilty of treason against the United States, and shall suffer death.

Sec. 2. *And be it further enacted*, That if any person or persons, having knowledge of the commission of any of the treasons aforesaid, shall conceal and not as soon as may be disclose and make known the same to the President of the United States, or some one of the judges thereof, or to the President or Governor of a particular State, or some one of the judges or justices thereof, such person or persons, on conviction, shall be adjudged guilty of misprision of treason, and shall be imprisoned not exceeding seven years, and fined not exceeding one thousand dollars.

Sec. 3. *And be it enacted*, That if any person or persons shall, within any fort, arsenal, dock-yard, magazine, or in any other place or district of country, under the sole and exclusive jurisdiction of the United States, commit the crime of wilful murder, such person or persons, on being thereof convicted, shall suffer death.

Sec. 4. *And be it also enacted*, That the court before whom any person shall be convicted of the crime of murder, for which he or she shall be sentenced to suffer death, may, at their discretion, add to the judgment, that the body of such offender shall be delivered to a surgeon for dissection; and the marshal who is to cause such sentence to be executed, shall accordingly deliver the body of such offender, after execution done, to such surgeon as the court shall direct, for the purpose aforesaid: *Provided*, That such surgeon, or some other person by him appointed for the purpose, shall attend to receive and take away the dead body at the time of the execution of such offender.

Sec. 5. *And be it further enacted*, That if any person or persons shall, after such execution had, by force, rescue, or attempt to rescue, the body of such offender out of the custody of the marshal or his officers, during the conveyance of such body to any place for dissection as aforesaid; or shall, by force, rescue, or attempt to rescue, such body from the house of any surgeon, where the same shall have been deposited, in pursuance of this act, every person so offending shall be liable to a fine not exceeding one hundred dollars, and an imprisonment not exceeding twelve months.

Sec. 6. *And be it enacted*, That if any person or persons having knowledge of the actual commission of the crime of wilful murder, or other felony, upon the high seas, or within any fort, arsenal, dock-yard, magazine, or other place or district of country, under the sole and exclusive jurisdiction of the United States, shall conceal, and not as soon as may be disclose and make known the same to some one of the judges, or other persons in civil or military authority under the United States, on conviction thereof, such person or persons shall be adjudged guilty of misprision of felony, and shall be imprisoned not exceeding three years, and fined not exceeding five hundred dollars.

Sec. 7. *And be it enacted*, That if any person or persons shall, within any fort, arsenal, dock-yard, magazine, or other place or district

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of country, under the sole and exclusive jurisdiction of the United States, commit the crime of manslaughter, and shall be thereof convicted, such person or persons shall be imprisoned not exceeding three years, and fined not exceeding one thousand dollars.

Sec. 8. *And be it enacted*, That if any person or persons shall commit upon the high seas, or in any river, haven, basin, or bay, out of the jurisdiction of any particular State, murder or robbery, or any other offence, which, if committed within the body of a county, would by the laws of the United States be punishable with death; or if any captain or mariner of any ship or other vessel, shall piratically and feloniously run away with such ship or vessel, or any goods or merchandise to the value of fifty dollars, or yield up such ship or vessel voluntarily to any pirate; or if any seaman shall lay violent hands upon his commander, thereby to hinder and prevent his fighting in defence of his ship or goods committed to his trust, or shall make a revolt in the ship; every such offender shall be deemed, taken, and adjudged, to be a pirate and felon, and being thereof convicted, shall suffer death; and the trial of crimes committed on the high seas, or in any place out of the jurisdiction of any particular State, shall be in the district where the offender is apprehended, or into which he may first be brought.

Sec. 9. *And be it enacted*, That if any citizen shall commit any piracy or robbery aforesaid, or any act of hostility against the United States, or any citizen thereof, upon the high seas, under color of any commission from any foreign prince, or State, or on pretence of authority from any person, such offender shall, notwithstanding the pretence of any such authority, be deemed, adjudged, and taken, to be a pirate, felon, and robber, and on being thereof convicted shall suffer death.

Sec. 10. *And be it enacted*, That every person who shall, either upon the land or the seas, knowingly and wittingly aid and assist, procure, command, counsel, or advise, any person or persons, to do or commit any murder or robbery, or other piracy aforesaid, upon the seas, which shall affect the life of such person, and such person or persons shall thereupon do or commit any such piracy or robbery, then all and every such person so, as aforesaid, aiding, assisting, procuring, commanding, counselling, or advising the same, either upon the land or the sea, shall be, and they are hereby, declared, deemed, and adjudged, to be accessory to such piracies before the fact, and every such person being thereof convicted shall suffer death.

Sec. 11. *And be it enacted*, That after any murder, felony, robbery, or other piracy whatsoever aforesaid, is or shall be committed by any pirate or robber, every person who, knowing that such pirate or robber has done or committed any such piracy or robbery, shall, on the land or at sea receive, entertain, or conceal, any such pirate or robber, or receive or take into his custody any ship, vessel, goods, or chat-

tels, which have been by any such pirate or robber piratically and feloniously taken, shall be, and are hereby declared, deemed, and adjudged, to be accessory to such piracy or robbery, after the fact; and on conviction thereof shall be imprisoned not exceeding three years, and fined not exceeding five hundred dollars.

Sec. 12. *And be it enacted*, That if any seaman or other person shall commit manslaughter upon the high seas, or confederate or attempt, or endeavor to corrupt any commander, master, officer, or mariner, to yield up or to run away with any ship or vessel, or with any goods, wares, or merchandise, or to turn pirate, or to go over to or confederate with pirates, or in any wise trade with any pirate, knowing him to be such, or shall furnish such pirate with any ammunition, stores, or provisions of any kind, or shall fit out any vessel knowingly, and with a design to trade with, or supply, or correspond with, any pirate or robber upon the seas; or if any person or persons shall any ways consult, combine, confederate, or correspond with any pirate or robber on the seas, knowing him to be guilty of any such piracy or robbery; or if any seaman shall confine the master of any ship or other vessel, or endeavor to make a revolt in such ship, such person or persons so offending, and being thereof convicted, shall be imprisoned not exceeding three years, and fined not exceeding one thousand dollars.

Sec. 13. *And be it enacted*, That if any person or persons, within any of the places upon the land under the sole and exclusive jurisdiction of the United States, or upon the high seas, in any vessel belonging to the United States, or to any citizen or citizens thereof, on purpose and of malice aforethought, shall unlawfully cut off the ear or ears, or cut out or disable the tongue, put out an eye, slit the nose, cut off the nose or a lip, or cut off or disable any limb or member of any person, with intention in so doing, to maim or disfigure such person in any the manners before mentioned, then, and in every such case the person or persons so offending, their counsellors, aiders, and abettors, (knowing of, and privy to, the offence aforesaid,) shall, on conviction, be imprisoned not exceeding seven years, and fined not exceeding one thousand dollars.

Sec. 14. *And be it enacted*, That if any person or persons shall falsely make, alter, forge, or counterfeit, or cause or procure to be falsely made, altered, forged, or counterfeited, or wilfully act or assist in the false making, altering, forging, or counterfeiting, any certificate, indent, or other public security of the United States, or shall utter, put off, or offer, or cause to be uttered, put off, or offered in payment, or for sale, any such false, forged, altered, or counterfeited certificate, indent or other public security, with intention to defraud any person, knowing the same to be false, altered, forged, or counterfeited, and shall be thereof convicted, every such person shall suffer death.

Sec. 15. *And be it enacted*, That if any per-

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son shall feloniously steal, take away, alter, falsify, or otherwise avoid any record, writ, process, or other proceedings in any of the courts of the United States, by means whereof any judgment shall be reversed, made void, or not take effect, or if any person shall acknowledge, or procure to be acknowledged, in any of the courts aforesaid, any recognizance, bail or judgment, in the name or names of any other person or persons not privy or consenting to the same, every such person or persons, on conviction thereof, shall be fined not exceeding five thousand dollars, or be imprisoned not exceeding seven years, and whipped not exceeding thirty-nine stripes: *Provided, nevertheless,* That this act shall not extend to the acknowledgment of any judgment or judgments by any attorney or attorneys, duly admitted for any person or persons against whom any such judgment or judgments shall be had or given.

Sec. 16. *And be it enacted,* That if any person within any of the places under the sole and exclusive jurisdiction of the United States, or upon the high seas, shall take and carry away, with an intent to steal or purloin, the personal goods of another; or if any person or persons, having at any time hereafter the charge or custody of any arms, ordnance, munition, shot, powder, or habiliments of war, belonging to the United States, or of any victuals provided for the victualing of any soldiers, gunners, marines, or pioneers, shall, for any lucre or gain, or wittingly, advisedly, and of purpose, to hinder or impede the service of the United States, embezzle, purloin, or convey away any of the said arms, ordnance, munition, shot or powder, habiliments of war, or victuals, that then, and in every of the cases aforesaid, the person or persons so offending, their counsellors, aiders and abettors, (knowing of, and privy to, the offences aforesaid,) shall, on conviction, be fined not exceeding the fourfold value of the property so stolen, embezzled, or purloined; the one moiety to be paid to the owner of the goods, or the United States, as the case may be, and the other moiety to the informer and prosecutor, and be publicly whipped, not exceeding thirty-nine stripes.

Sec. 17. *And be it further enacted,* That if any person or persons within any part of the jurisdiction of the United States as aforesaid, shall receive or buy any goods or chattels that shall be feloniously taken or stolen from any other person, knowing the same to be stolen, or shall receive, harbor, or conceal, any felons or thieves, knowing them to be so, he or they being of either of the said offences legally convicted, shall be liable to the like punishments as in the case of larceny before are prescribed.

Sec. 18. *And be it enacted,* That if any person shall wilfully and corruptly commit perjury, or shall by any means procure any person to commit corrupt and wilful perjury, on his or her oath or affirmation in any suit, controversy, matter, or cause, depending in any of the courts of the United States, or in any deposition taken

pursuant to the laws of the United States, every person so offending, and being thereof convicted, shall be imprisoned not exceeding three years, and fined not exceeding eight hundred dollars, and shall stand in the pillory for one hour, and be thereafter rendered incapable of giving testimony in any of the courts of the United States, until such time as the judgment so given against the said offender shall be reversed.

Sec. 19. *And be it enacted,* That in every presentment or indictment to be prosecuted against any person for wilful and corrupt perjury, it shall be sufficient to set forth the substance of the offence charged upon the defendant, and by what court, or before whom the oath or affirmation was taken, (averring such court, or person or persons to have a competent authority to administer the same,) together with the proper averment or averments, to falsify the matter or matters wherein the perjury or perjuries is or are assigned, without setting forth the bill, answer, information, indictment, declaration, or any part of any record or proceeding, either in law or equity, other than as aforesaid, and without setting forth the commission or authority of the court, or person or persons before whom the perjury was committed.

Sec. 20. *And be it further enacted,* That in every presentment or indictment for subornation of perjury, or for corrupt bargaining or contracting with others to commit wilful and corrupt perjury, it shall be sufficient to set forth the substance of the offence charged upon the defendant, without setting forth the bill, answer, information, indictment, declaration, or any part of any record or proceeding, either in law or equity, and without setting forth the commission or authority of the court, or person or persons before whom the perjury was committed, or was agreed or promised to be committed.

Sec. 21. *And be it enacted,* That if any person shall, directly or indirectly, give any sum or sums of money, or any other bribe, present, or reward, or any promise, contract, obligation, or security, for the payment or delivery of any money, present or reward, or any other thing to obtain or procure the opinion, judgment or decree of any judge or judges of the United States, in any suit, controversy, matter, or cause, depending before him or them, and shall be thereof convicted, such person or persons so giving, promising, contracting, or securing to be given, paid or delivered, any sum or sums of money, present reward, or other bribe, as aforesaid, and the judge or judges who shall in any wise accept or receive the same, on conviction thereof shall be fined and imprisoned at the discretion of the court, and shall forever be disqualified to hold any office of honor, trust, or profit, under the United States.

Sec. 22. *And be it enacted,* That if any person or persons shall knowingly and wilfully obstruct, resist, or oppose, any officer of the

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United States, in serving, or attempting to serve, or execute, any mesne process, or warrant, or any rule or order of any of the courts of the United States, or any other legal or judicial writ or process whatsoever, or shall assault, beat or wound any officer, or other person duly authorized in serving or executing any writ, rule, order, process, or warrant, aforesaid, every person so knowingly and wilfully offending in the premises, shall, on conviction thereof, be imprisoned not exceeding twelve months, and fined not exceeding three hundred dollars.

Sec. 23. *And be it further enacted*, That if any person or persons shall, by force, set at liberty, or rescue any person who shall be found guilty of treason, murder, or any other capital crime, or rescue any person convicted of any of the said crimes, going to execution, or during execution, every person so offending, and being thereof convicted, shall suffer death; and if any person shall, by force, set at liberty, or rescue any person who, before conviction, shall stand committed for any of the capital offences aforesaid; or if any person or persons shall, by force, set at liberty, or rescue any person committed for or convicted of any other offence against the United States, every person so offending shall, on conviction, be fined not exceeding five hundred dollars, and imprisoned not exceeding one year.

Sec. 24. *Provided always, and be it enacted*, That no conviction or judgment for any of the offences aforesaid shall work corruption of blood, or any forfeiture of estate.

Sec. 25. *And be it enacted*, That if any writ or process shall at any time hereafter be sued forth or prosecuted by any person or persons, in any of the courts of the United States, or in any of the courts of a particular State, or by any judge or justice therein respectively, whereby the person of any ambassador, or other public minister of any foreign prince or State, authorized and received as such by the President of the United States, or any domestic or domestic servant of any such ambassador or other public minister, may be arrested or imprisoned, or his or their goods or chattels be distrained, seized, or attached, such writ or process shall be deemed and adjudged to be utterly null and void, to all intents, construction, and purposes, whatsoever.

Sec. 26. *And be it enacted*, That in case any person or persons shall sue forth, or prosecute any such writ or process, such person or persons, and all attorneys or solicitors prosecuting or soliciting in such case, and all officers executing any such writ or process, being thereof convicted, shall be deemed violators of the laws of nations, and disturbers of the public repose, and imprisoned not exceeding three years, and fined at the discretion of the court.

Sec. 27. *Provided nevertheless*, That no citizen or inhabitant of the United States, who shall have contracted debts prior to his entering into the service of any ambassador or other public minister, which debts shall be still due

and unpaid, shall have, take, or receive, any benefit of this act; nor shall any person be proceeded against by virtue of this act, for having arrested or sued any other domestic servant of any ambassador or other public minister, unless the name of such servant be first registered in the office of the Secretary of State, and by such Secretary transmitted to the marshal of the district in which Congress shall reside, who shall, upon receipt thereof, affix the same in some public place in his office, whereto all persons may resort and take copies, without fee or reward.

Sec. 28. *And be it enacted*, That if any person shall violate any safe conduct or passport duly obtained and issued under the authority of the United States, or shall assault, strike, wound, imprison, or in any other manner infract the law of nations, by offering violence to the person of an ambassador or other public minister, such person so offending, on conviction, shall be imprisoned not exceeding three years, and fined at the discretion of the court.

Sec. 29. *And be it enacted*, That any person who shall be accused and indicted of treason, shall have a copy of the indictment, and a list of the jury and witnesses, to be produced on the trial for proving the said indictment, mentioning the names and places of abode of such witnesses and jurors, delivered unto him at least three entire days before he shall be tried for the same; and in other capital offences, shall have such copy of the indictment, and list of the jury, two entire days at least before the trial: And that every person so accused and indicted for any of the crimes aforesaid, shall also be allowed and admitted to make his full defence by counsel learned in the law; and the court before whom such person shall be tried, or some judge thereof, shall, and they are hereby authorized and required, immediately upon his request, to assign to such person such counsel, not exceeding two, as such person shall desire, to whom such counsel shall have free access at all seasonable hours; and every such person or persons accused or indicted of the crimes aforesaid, shall be allowed and admitted in his said defence to make any proof that he or they can produce, by lawful witness or witnesses, and shall have the like process of the court where he or they shall be tried, to compel his or their witnesses to appear at his or their trial, as is usually granted to compel witnesses to appear on the prosecution against them.

Sec. 30. *And be it further enacted*, That if any person or persons be indicted of treason against the United States, and shall stand mute or refuse to plead, or shall challenge peremptorily above the number of thirty-five of the jury; or if any person or persons be indicted of any other of the offences herein before set forth, for which the punishment is declared to be death, if he or they shall also stand mute, or will not answer to the indictment, or challenge peremptorily above the number of twenty per-



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sons of the jury, the court, in any of the cases aforesaid, shall, notwithstanding, proceed to the trial of the person or persons so standing mute or challenging, as if he or they had pleaded not guilty, and render judgment thereon accordingly.

Sec. 31. *And be it further enacted*, That the benefit of clergy shall not be used or allowed, upon conviction of any crime, for which, by any statute of the United States, the punishment is or shall be declared to be death.

Sec. 32. *And be it further enacted*, That no person or persons shall be prosecuted, tried, or punished, for treason, or other capital offence, aforesaid, wilful murder or forgery excepted, unless the indictment for the same shall be found by a grand jury within three years next after the treason or capital offence aforesaid shall be done or committed; nor shall any person be prosecuted, tried, or punished, for any offence not capital, nor for any fine or forfeiture under any penal statute, unless the indictment or information for the same shall be found or instituted within two years from the time of committing the offence, or incurring the fine or forfeiture aforesaid: *Provided*, That nothing herein contained shall extend to any person or persons fleeing from justice.

Sec. 33. *And be it further enacted*, That the manner of inflicting the punishment of death shall be by hanging the person convicted by the neck until dead.

Approved, April 30, 1790.

An Act for regulating the military establishment of the United States.

*Be it enacted, &c.* That the commissioned officers hereinafter mentioned, and the number of one thousand two hundred and sixteen non-commissioned officers, privates, and musicians, shall be raised for the service of the United States, for the period of three years, unless they should previously by law be discharged.

Sec. 2. *And be it further enacted*, That the non-commissioned officers and privates aforesaid, shall, at the time of their enlistments, respectively, be able bodied men, not under five feet six inches in height, without shoes; nor under the age of eighteen, nor above the age of forty-six years.

Sec. 3. *And be it further enacted*, That the commissioned officers hereinafter mentioned, and the said non-commissioned officers, privates, and musicians, shall be formed into one regiment of infantry, to consist of three battalions, and one battalion of artillery. The regiment of infantry to be composed of one lieutenant colonel commandant, three majors, three adjutants, three quartermasters, one paymaster, one surgeon, two surgeon's mates, and twelve companies, each of which shall consist of one captain, one lieutenant, one ensign, four sergeants, four corporals, sixty-six privates, and two musicians. The battalion of artillery shall be composed of one major commandant, one

adjutant, one quartermaster, one paymaster, one surgeon's mate, and four companies; each of which shall consist of one captain, two lieutenants, four sergeants, four corporals, sixty-six privates, and two musicians: *Provided always*, That the adjutants, quartermasters, and paymasters, shall be appointed from the line, of subalterns of the aforesaid corps, respectively.

Sec. 4. *And be it further enacted*, That the President of the United States may, from time to time, appoint one or two inspectors, as to him shall seem meet, to inspect the said troops, who shall also muster the same, and each of whom shall receive the like pay and subsistence as a captain, and be allowed ten dollars per month for forage.

Sec. 5. *And be it further enacted*, That the troops aforesaid shall receive for their services the following enumerated monthly rates of pay: Lieutenant colonel commandant, sixty dollars; major commandant of artillery, forty-five dollars; majors, forty dollars; captains, thirty dollars; lieutenants, twenty-two dollars; ensigns, eighteen dollars; surgeons, thirty dollars; surgeons' mates, twenty-four dollars; sergeants, five dollars; corporals, four dollars; privates, three dollars; senior musicians in each battalion of infantry, and in the battalion of artillery, five dollars; musicians, three dollars: *Provided always*, That the sums hereinafter specified, shall be deducted from the pay of the non-commissioned officers, privates, and musicians, stipulated as aforesaid, for the purposes of forming a fund for clothing and hospital stores. From the monthly pay of each sergeant and senior musician, there shall be deducted, for uniform clothing, the sum of one dollar and forty cents, and the further sum of ten cents for hospital stores; and from the monthly pay of each corporal, for uniform clothing, one dollar and fifteen cents, and the further sum of ten cents for hospital stores; and from the monthly pay of each private and musician, for uniform clothing, the sum of ninety cents, and the further sum of ten cents for hospital stores.

Sec. 6. *And be it further enacted*, That the subalterns who may be appointed to act as adjutants, shall each receive for the same, in addition to their regimental pay, ten dollars per month; and quarter and paymasters, so appointed, each five dollars per month.

Sec. 7. *And be it further enacted*, That the commissioned officers aforesaid shall receive, for their daily subsistence, the following number of rations of provisions, to wit: Lieutenant colonel commandant, six; a major, four; a captain, three; a lieutenant, two; an ensign, two; a surgeon, three; a surgeon's mate, two; or money in lieu thereof, at the option of the said officers, at the contract price at the posts, respectively, where the rations shall become due.

Sec. 8. *And be it further enacted*, That the commissioned officers hereinafter described, shall receive, monthly, the following enumerated sums, instead of forage: Lieutenant colonels

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commandant, twelve dollars; major commandant of artillery, majors and surgeon, each, ten dollars; surgeon's mates, each, six dollars.

Sec. 9. *And be it further enacted*, That every non-commissioned officer, private, and musician, aforesaid, shall receive, annually, the following articles of uniform clothing: One hat or helmet, one coat, one vest, two pair of woolen and two pair of linen overalls, four pair of shoes, four shirts, two pair of socks, one blanket, one stock and clasp, and one pair of buckles.

Sec. 10. *And be it further enacted*, That every non commissioned officer, private, and musician, aforesaid, shall receive, daily, the following rations of provisions, or the value thereof: One pound of beef, or three-quarters of a pound of pork; one pound of bread or flour, half a gill of rum, brandy, or whiskey, or the value thereof, at the contract price where the same shall become due, and at the rate of one quart of salt, two quarts of vinegar, two pounds of soap, and one pound of candles, to every hundred rations.

Sec. 11. *And be it further enacted*, That if any commissioned officer, non-commissioned officer, private, or musician, aforesaid, shall be wounded or disabled while in the line of his duty in the public service, he shall be placed on the list of the invalids of the United States, at such rate of pay, and under such regulations as shall be directed by the President of the United States, for the time being: *Provided always*, That the rate of compensation for such wounds or disabilities, shall never exceed, for the highest disability, half the monthly pay received by any commissioned officer, at the time of being so wounded or disabled; and that the rate of compensation to non-commissioned officers, privates, and musicians, shall never exceed five dollars per month: *And provided also*, That all inferior disabilities shall entitle the person so disabled to receive only a sum in proportion to the highest disability.

Sec. 12. *And be it further enacted*, That every commissioned officer, non-commissioned officer, private, and musician, aforesaid, shall take and subscribe the following oath or affirmation, to wit: "I, A. B. do solemnly swear or affirm, (as the case may be,) to bear true allegiance to the United States of America, and to serve them honestly and faithfully, against all their enemies or opposers whomsoever, and to observe and obey the orders of the President of the United States of America, and the orders of the officers appointed over me, according to the articles of war."

Sec. 13. *And be it further enacted*, That the commissioned officers, non-commissioned officers, privates and musicians, aforesaid, shall be governed by the rules and articles of war, which have been established by the United States in Congress assembled, as far as the same may be applicable to the Constitution of the United States, or by such rules and articles as may hereafter by law be established.

Sec. 14. *And be it further enacted*, That the "act for recognising, and adapting to the Constitution of the United States, the establishment of the troops raised under the resolves of the United States in Congress assembled, and for other purposes therein mentioned," passed the twenty-ninth day of September, one thousand seven hundred and eighty-nine, be, and the same is hereby repealed: *Provided always*, That the non-commissioned officers and privates, continued and engaged under the aforesaid act of the twenty-ninth day of September, one thousand seven hundred and eighty-nine, and who shall decline to re-enlist under the establishment made by this act, shall be discharged whenever the President of the United States shall direct the same: *Provided further*, That the whole number of non-commissioned officers, privates, and musicians, in the service of the United States at any one time, either by virtue of this act, or by virtue of the aforesaid act, passed the twenty-ninth day of September, one thousand seven hundred and eighty-nine, shall not exceed the number of one thousand two hundred and sixteen.

Sec. 15. *And be it further enacted*, That for the purpose of aiding the troops now in service, or to be raised by this act, in protecting the inhabitants of the frontiers of the United States, the President is hereby authorized to call into service, from time to time, such part of the militia of the States, respectively, as he may judge necessary for the purpose aforesaid; and that their pay and subsistence, while in service, be the same as the pay and subsistence of the troops abovementioned, and they shall be subject to the rules and articles of war.

Approved, April 30, 1790.

An Act to prescribe the mode in which the public acts, records, and judicial proceedings, in each State, shall be authenticated, so as to take effect in every other State.

*Be it enacted, &c.*, That the acts of the Legislatures of the several States shall be authenticated by having the seal of their respective States affixed thereto; that the records and judicial proceedings of the courts of any State shall be proved or admitted in any other court within the United States, by the attestation of the clerk, and the seal of the court annexed, if there be a seal, together with a certificate of the judge, chief justice, or presiding magistrate, as the case may be, that the said attestation is in due form. And the said records and judicial proceedings authenticated as aforesaid, shall have such faith and credit given to them in every court within the United States, as they have by law or usage in the courts of the State from whence the said records are, or shall be taken.

Approved, May 26, 1790.

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An Act to provide for mitigating or remitting the forfeitures and penalties accruing under the revenue laws, in certain cases therein mentioned.

*Be it enacted, &c.,* That whenever any person who now is, or hereafter shall be, liable to a fine, penalty, or forfeiture, or interested in any vessel, goods, wares, or merchandise, or other thing which may be subject to seizure and forfeiture, by force of the laws of the United States now existing, or which may hereafter exist, for collecting duties of impost and tonnage, and for regulating the coasting trade, shall prefer his petition to the judge of the district in which such fine, penalty, or forfeiture, may have accrued, truly and particularly setting forth the circumstances of his case, and shall pray that the same may be mitigated or remitted; the said judge shall inquire in a summary manner into the circumstances of the case, first causing reasonable notice to be given to the person or persons claiming such fine, penalty, or forfeiture, and to the attorney of the United States for such district, that each may have an opportunity of showing cause against the mitigation or remission thereof; and shall cause the facts which shall appear upon such inquiry to be stated and annexed to the petition, and direct their transmission to the Secretary of the Treasury of the United States, who shall thereupon have power to mitigate or remit such fine, penalty, or forfeiture, or any part thereof, if in his opinion the same was incurred without wilful negligence or any intention of fraud, and to direct the prosecution, if any shall have been instituted for the recovery thereof, to cease and be discontinued, upon such terms or conditions as he may deem reasonable and just: *Provided,* That nothing herein contained shall be construed to affect the right or claim of any person to that part of any fine, penalty, or forfeiture, incurred by breach of either of the laws aforesaid, which such person may be entitled to by virtue of the said laws, in cases where a prosecution has been commenced, or information has been given before the passing of this act; the amount of which right and claim shall be assessed and valued by the judge of the district in a summary manner.

*Sec. 2. And be it further enacted,* That this act shall continue and be in force until the end of the next session of Congress, and no longer.

Approved, May 26, 1790.

An Act to continue in force an act passed at the last session of Congress, entitled "An act to regulate processes in the courts of the United States."

*Be it enacted, &c.,* That the act, entitled "An act to regulate processes in the courts of the United States," passed on the twenty-ninth day of September last, shall be, and the same is hereby, continued in force until the end of the next session of Congress, and no longer.

Approved, May 26, 1790.

An Act for the government of the territory of the United States, south of the river Ohio.

*Be it enacted, &c.,* That the territory of the United States, south of the river Ohio, for the purposes of temporary government, shall be one district; the inhabitants of which shall enjoy all the privileges, benefits, and advantages, set forth in the ordinance of the late Congress, for the government of the territory of the United States northwest of the river Ohio. And the government of the said territory south of the Ohio shall be similar to that which is now exercised in the territory northwest of the Ohio; except so far as is otherwise provided, in the conditions expressed in an act of Congress of the present session, entitled "An act to accept a cession of the claims of the State of North Carolina, to a certain district of Western territory."

*Sec. 2. And be it further enacted,* That the salaries of the officers which the President of the United States shall nominate, and with the advice and consent of the Senate appoint, by virtue of this act, shall be the same as those by law established, of similar officers in the government northwest of the river Ohio. And the powers, duties, and emoluments, of a Superintendent of Indian affairs, for the southern department, shall be united with those of the Governor.

Approved, May 26, 1790.

An Act for the encouragement of learning, by securing the copies of maps, charts, and books; to the authors and proprietors of such copies, during the times therein mentioned.

*Be it enacted, &c.,* That from and after the passing of this act, the author and authors of any map, chart, book, or books already printed within these United States, being a citizen or citizens thereof, or resident within the same, his or their executors, administrators, or assigns, who hath or have not transferred to any other person the copyright of such map, chart, book or books, share or shares, thereof; and any other person or persons, being a citizen or citizens of these United States, or residents therein, his or their executors, administrators, or assigns, who hath or have purchased or legally acquired the copyright of any such map, chart, book, or books, in order to print, reprint, publish, or vend the same, shall have the sole right and liberty of printing, reprinting, publishing, and vending such map, chart, book or books, for the term of fourteen years from the recording the title thereof in the clerk's office, as is hereinafter directed: And that the author and authors of any map, chart, book or books, already made and composed, and not printed or published, or that shall hereafter be made and composed, being a citizen or citizens of these United States, or resident therein, as his or their executors, administrators, or assigns, shall have the sole right and liberty of printing, reprinting, publishing, and vending such map,

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chart, book or books, for the like term of fourteen years from the time of recording the title thereof in the clerk's office as aforesaid. And if, at the expiration of the said term, the author or authors, or any of them, be living, and a citizen or citizens of these United States, or resident therein, the same exclusive right shall be continued to him or them, his or their executors, administrators, or assigns, for the further term of fourteen years: *Provided*, he or they shall cause the title thereof to be a second time recorded and published in the same manner as is hereinafter directed, and that within six months before the expiration of the first term of fourteen years aforesaid.

Sec. 2. *And be it further enacted*, That if any other person or persons, from and after the recording the title of any map, chart, book or books, and publishing the same as aforesaid, and within the times limited and granted by this act, shall print, re-print, publish, or import, or cause to be printed, re-printed, published, or imported from any foreign kingdom or State, any copy or copies of such map, chart, book or books, without the consent of the author or proprietor thereof, first had and obtained in writing, signed in the presence of two or more credible witnesses; or knowing the same to be so printed, re-printed, or imported, shall publish, sell, or expose to sale, or cause to be published, sold, or exposed to sale, any copy of such map, chart, book or books, without such consent first had and obtained in writing as aforesaid, then such offender or offenders shall forfeit all and every copy or copies of such map, chart, book or books, and all and every sheet and sheets, being part of the same, or either of them, to the author or proprietor of such map, chart, book or books, who shall forthwith destroy the same: And every such offender and offenders shall also forfeit and pay the sum of fifty cents for every sheet which shall be found in his or their possession, either printed or printing, published, imported, or exposed to sale, contrary to the true intent and meaning of this act, the one moiety thereof to the author or proprietor of such map, chart, book or books who shall sue for the same, and the other moiety thereof, to and for the use of the United States, to be recovered by action of debt in any court of record in the United States, wherein the same is cognizable: *Provided always*, That such action be commenced within one year after the cause of action shall arise, and not afterwards.

Sec. 3. *And be it further enacted*, That no person shall be entitled to the benefit of this act, in cases where any map, chart, book or books, hath or have been already printed and published, unless he shall first deposite, and in all other cases, unless he shall, before publication, deposite a printed copy of the title of such map, chart, book or books, in the clerk's office of the district court, where the author or proprietor shall reside: And the clerk of such court is hereby directed and required to record the same

forthwith, in a book to be kept by him for that purpose, in the words following, (giving a copy thereof to the said author or proprietor, under the seal of the court, if he shall require the same.) "District of ——— to wit: Be it remembered, That on the ——— day of ———, in the ——— year of the independence of the United States of America, A. B. of the said district, hath deposited in this office the title of a map, chart, book or books, (as the case may be,) the right whereof he claims as author or proprietor, (as the case may be,) in the words following, to wit: [here insert the title] in conformity to the act of the Congress of the United States, entitled "An act for the encouragement of learning, by securing the copies of maps, charts, and books, to the authors and proprietors of such copies, during the times therein mentioned." C. D. clerk of the district of ———." For which the said clerk shall be entitled to receive sixty cents from the said author or proprietor, and sixty cents for every copy under seal actually given to such author or proprietor as aforesaid. And such author or proprietor shall, within two months from the date thereof, cause a copy of the said record to be published in one or more of the newspapers printed in the United States, for the space of four weeks.

Sec. 4. *And be it further enacted*, That the author or proprietor of any such map, chart, book or books, shall, within six months after the publishing thereof, deliver, or cause to be delivered to the Secretary of State a copy of the same, to be preserved in his office.

Sec. 5. *And be it further enacted*, That nothing in this act shall be construed to extend to prohibit the importation or vending, re-printing or publishing within the United States, of any map, chart, book or books, written, printed, or published, by any person not a citizen of the United States, in foreign parts or places without the jurisdiction of the United States.

Sec. 6. *And be it further enacted*, That any person or persons who shall print or publish any manuscript, without the consent and approbation of the author or proprietor thereof, first had and obtained as aforesaid, (if such author or proprietor be a citizen of, or resident in, these United States,) shall be liable to suffer and pay to the said author or proprietor all damages occasioned by such injury, to be recovered by a special action on the case founded upon this act, in any court having cognizance thereof.

Sec. 7. *And be it further enacted*, That if any person or persons shall be sued or prosecuted for any matter, act or thing done under or by virtue of this act, he or they may plead the general issue, and give the special matter in evidence.

Approved, May 31, 1790.

An Act for giving effect to an act, entitled "An act to establish the judicial courts of the United States," within the State of North Carolina.

*Be it enacted, &c.*, That the act, entitled

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"An act to establish the judicial courts of the United States," shall have the like force and effect within the State of North Carolina, as elsewhere within the United States.

Sec. 2. *And be it further enacted*, That the said State shall be one district, to be called North Carolina district; and there shall be a district court therein, to consist of one judge, who shall reside in the district, and be called a district judge, and shall hold annually four sessions; the first to commence on the first Monday in July next, and the other three sessions progressively on the like Monday of every third calendar month afterwards. The stated district court shall be held at the town of Newbern.

Sec. 3. *And be it further enacted*, That the said district shall be, and the same is hereby annexed to the southern circuit: And there shall be held annually in the said district two circuit courts; the first session of the circuit court shall commence on the eighteenth day of June next; the second session on the eighth day of November next, and the subsequent sessions on the like days of every June and November afterwards, except when any of the days shall happen on a Sunday, and then the session shall commence on the next day following. And the sessions of the said circuit courts shall be held at Newbern.

Sec. 4. *And be it further enacted*, That there shall be allowed to the judge of the said district the yearly compensation of fifteen hundred dollars, to commence from his appointment, and to be paid at the Treasury of the United States in quarterly payments.

Approved, June 4, 1790.

An Act supplemental to the act for establishing the salaries of the executive officers of Government, with their assistants and clerks.

*Be it enacted, &c.* That the more effectually to do and perform the duties in the Department of State, the Secretary of the said Department be, and is hereby, authorized to appoint an additional clerk in his office, who shall be allowed an equal salary, to be paid in the same manner as is allowed by law to the chief clerk.

Approved, June 4, 1790.

An Act for giving effect to the several acts therein mentioned, in respect to the State of Rhode Island and Providence Plantations.

*Be it enacted, &c.*, That the several and respective duties specified and laid in and by the act, entitled "An act for laying a duty on goods, wares, and merchandises, imported into the United States," and in and by the act, entitled "An act imposing duties on tonnage," shall be paid and collected upon all goods, wares, and merchandises, which, after the expiration of five days from the passing of this act, shall be imported into the State of Rhode Island and Providence Plantations, from any

foreign port or place, and upon the tonnage of all ships and vessels, which, after the said day, shall be entered within the said State of Rhode Island and Providence Plantations, subject to the exceptions, qualifications, allowances, and abatements, in the said acts contained or expressed, which acts shall be deemed to have the like force and operation within the said State of Rhode Island and Providence Plantations, as elsewhere within the United States.

Sec. 2. *And be it further enacted*, That for the due collection of the said duties, there shall be, in the said State of Rhode Island and Providence Plantations, two districts, to wit: the district of Newport, and the district of Providence. The district of Newport shall comprehend all the waters, shores, bays, harbors, creeks, and inlets, from the west line of the said State, all along the sea-coast, and northward, up the Narraganset bay, as far as the most easterly part of Kinnimicut Point, at high-water mark; and shall include the several towns, harbors, and landing places, at Westerly, Charlestown, South Kingstown, North Kingstown, East Greenwich, and all that part of the town of Warwick, southward of the latitude of said Kinnimicut Point; and also the towns, harbors, and landing places, of Barrington, Warren, Bristol, Tiverton, Little Compton, and all the towns, harbors, and landing places, of the island of Rhode Island, Kinnimicut, Prudence, New Shoreham, and every other island and place within the said State, southward of the latitude of the said Kinnimicut Point. The district of Providence shall comprehend all the waters, shores, bays, harbors, creeks, and inlets, within the said State, northward of the latitude of said Kinnimicut Point. The town of Newport shall be the sole port of entry in the said district of Newport; and a collector, naval officer, and surveyor, shall be appointed, to reside at the said town of Newport; and North Kingstown, East Greenwich, Barrington, Warren, Bristol, and Pawcatuck river, in Westerly, shall be ports of delivery only; and a surveyor shall be appointed, to reside at each of the ports of North Kingstown, East Greenwich, Warren, Bristol, and Pawcatuck river; and the surveyor to reside at Warren, shall be surveyor for the port of Barrington. The town of Providence shall be the sole port of entry in the said district of Providence; and Patuxet, in the same district, shall be a port of delivery only; and a collector, naval officer, and surveyor, shall be appointed, to reside at Providence, and a surveyor shall be appointed, to reside at Patuxet.

Sec. 3. *And be it further enacted*, That all the regulations, provisions, exceptions, allowances, compensations, directions, authorities, penalties, forfeitures, and other matters whatsoever, contained or expressed in the act, entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States," and

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not locally inapplicable, shall have the like force and effect within the said State of Rhode Island and Providence Plantations, for the collection of the said duties, as elsewhere within the United States, and as if the same were repeated and re-enacted in this present act: *Provided always, and be it declared,* That the thirty-ninth section of the said act, and the third section of an act, entitled "An act to suspend part of an act, entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises, imported into the United States, and for other purposes," did, by virtue of the adoption of the Constitution of the United States, by the said State of Rhode Island and Providence Plantations, cease to operate in respect to the same.

Sec. 4. *And be it further enacted,* That the act, entitled "An act for registering and clearing vessels, regulating the coasting trade, and for other purposes," shall, after the expiration of five days from the passing of this act, have the like force and operation within the State of Rhode Island and Providence Plantations, as elsewhere within the United States, and as if the several clauses thereof were repeated and re-enacted in this present act.

Approved, June 14, 1790.

An act for giving effect to an act, entitled "An act to establish the judicial courts of the United States," within the State of Rhode Island and Providence Plantations.

*Be it enacted, &c.,* That the act, entitled "An act to establish the judicial courts of the United States," shall have the like force and effect within the State of Rhode Island and Providence Plantations, as elsewhere within the United States.

Sec. 2. *And be it further enacted,* That the said State shall be one district, to be called Rhode Island district: And there shall be a district court held therein, to consist of one judge, who shall reside in the district, and be called a district judge, and shall hold annually four sessions; the first to commence on the first Monday in August next, and the other three sessions progressively on the like Monday of every third calendar month afterwards. The stated district court shall be held alternately at the towns of Newport and Providence, beginning at the first.

Sec. 3. *And be it further enacted,* That the said district shall be, and the same is hereby, annexed to the eastern circuit: And there shall be held annually in the said district two circuit courts; the first session of the circuit court shall commence on the fourth day of December next, the second session on the fourth day of June next, and the subsequent sessions on the like days of every December and June afterwards, except when any of the days shall happen on a Sunday, and then the session shall commence on the day following. And the sessions of the said circuit courts shall be held

alternately at the said towns of Newport and Providence, beginning at the last.

Sec. 4. *And be it further enacted,* That there shall be allowed to the judge of the said district, the yearly compensation of eight hundred dollars, to commence from his appointment, and to be paid at the Treasury of the United States, in quarterly payments.

Approved, June 23, 1790.

An Act providing the means of intercourse between the United States and foreign nations.

*Be it enacted, &c.,* That the President of the United States shall be, and he hereby is, authorized to draw from the Treasury of the United States a sum not exceeding forty thousand dollars annually, to be paid out of the moneys arising from the duties on imports and tonnage, for the support of such persons as he shall commission to serve the United States in foreign parts, and for the expense incident to the business in which they may be employed: *Provided,* That exclusive of an outfit, which shall in no case exceed the amount of one year's full salary to the Minister Plenipotentiary, or Chargé des Affaires, to whom the same may be allowed, the President shall not allow to any Minister Plenipotentiary a greater sum than at the rate of nine thousand dollars per annum, as a compensation for all his personal services, and other expenses; nor a greater sum for the same than four thousand five hundred dollars per annum to a Chargé des Affaires; nor a greater sum for the same than one thousand three hundred and fifty dollars per annum to the secretary of any Minister Plenipotentiary. *And provided also,* That the President shall account specifically for all such expenditures of the said money as in his judgment may be made public, and also for the amount of such expenditures as he may think it advisable not to specify, and cause a regular statement and account thereof to be laid before Congress annually, and also lodged in the proper office of the Treasury Department.

Sec. 2. *And be it further enacted,* That this act shall continue and be in force for the space of two years, and from thence until the end of the next session of Congress thereafter, and no longer.

Approved, July 1, 1790.

An Act for giving effect to an act, entitled "An act providing for the enumeration of the inhabitants of the United States," in respect to the State of Rhode Island and Providence Plantations.

*Be it enacted, &c.,* That the act passed the present session of Congress, entitled "An act providing for the enumeration of the inhabitants of the United States," shall be deemed to have the like force and operation within the State of Rhode Island and Providence Plantations, as elsewhere within the United States; and all the regulations, provisions, directions,



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authorities, penalties, and other matters whatsoever, contained or expressed in the said act, and which are not locally inapplicable, shall have the like force and effect within the said State, as if the same were repeated and re-enacted in and by this present act.

Sec. 2. *And be it further enacted*, That the marshal of the district of Rhode Island shall receive, in full compensation for the performance of all the duties and services confided to and enjoined upon him by this act, one hundred dollars.

Approved, July 5, 1790.

An Act to authorize the purchase of a tract of land for the use of the United States.

*Be it enacted, &c.*, That it shall be lawful for the President of the United States, and he is hereby authorized, to cause to be purchased for the use of the United States, the whole or such part of that tract of land situate in the State of New York, commonly called West Point, as shall be by him judged requisite, for the purpose of such fortifications and garrisons as may be necessary for the defence of the same.

Approved, July 5, 1790.

An Act further to provide for the payment of the invalid pensioners of the United States.

*Be it enacted, &c.*, That the military pensions which have been granted and paid by the States, respectively, in pursuance of former acts of the United States in Congress assembled, and such as, by acts passed in the present session of Congress, are, or shall be declared to be due to invalids who were wounded and disabled during the late war, shall be continued and paid by the United States, from the fourth day of March last, for the space of one year, under such regulations as the President of the United States may direct.

Approved, July 16, 1790.

An Act for establishing the temporary and permanent seat of the Government of the United States.

*Be it enacted, &c.*, That a district of territory, not exceeding ten miles square, to be located as hereafter directed, on the river Potomac, at some place between the mouths of the Eastern Branch and Connogochegue, be, and the same is hereby, accepted for the permanent seat of Government of the United States: *Provided, nevertheless*, That the operation of the laws of the State within such district shall not be affected by this acceptance, until the time fixed for the removal of the Government thereto, and until Congress shall otherwise by law provide.

Sec. 2. *And be it further enacted*, That the President of the United States be authorized to appoint, and by supplying vacancies happening from refusals to act or other causes, to keep in appointment as long as may be neces-

sary, three commissioners, who, or any two of whom, shall, under the direction of the President, survey, and by proper metes and bounds define and limit a district of territory, under the limitations above mentioned; and the district so defined, limited, and located, shall be deemed the district accepted by this act, for the permanent seat of the Government of the United States.

Sec. 3. *And be it enacted*, That the said commissioners, or any two of them, shall have power to purchase or accept such quantity of land on the eastern side of the said river, within the said district, as the President shall deem proper for the use of the United States, and according to such plans as the President shall approve, the said commissioners, or any two of them, shall, prior to the first Monday in December, in the year one thousand eight hundred, provide suitable buildings for the accommodation of Congress, and of the President, and for the public offices of the Government of the United States.

Sec. 4. *And be it enacted*, That for defraying the expense of such purchases and buildings, the President of the United States be authorized and requested to accept grants of money.

Sec. 5. *And be it enacted*, That prior to the first Monday in December next, all offices attached to the seat of Government of the United States, shall be removed to, and until the said first Monday in December, in the year one thousand eight hundred, shall remain at the city of Philadelphia, in the State of Pennsylvania, at which place the session of Congress next ensuing the present shall be held.

Sec. 6. *And be it enacted*, That on the said first Monday in December, in the year one thousand eight hundred, the seat of the Government of the United States shall, by virtue of this act, be transferred to the district and place aforesaid. And all offices attached to the said seat of Government shall accordingly be removed thereto by their respective holders, and shall, after the said day, cease to be exercised elsewhere; and that the necessary expense of such removal shall be defrayed out of the duties on imposts and tonnage, of which a sufficient sum is hereby appropriated.

Approved, July 16, 1790.

An Act for the government and regulation of seamen in the merchant service.

*Be it enacted, &c.*, That from and after the first day of December next, every master or commander of any ship or vessel bound from a port in the United States to any foreign port, or of any ship or vessel of the burthen of fifty tons or upwards, bound from a port in one State to a port in any other than an adjoining State, shall, before he proceed on such voyage, make an agreement in writing, or in print, with every seaman or mariner on board such ship or vessel, (except such as shall be apprentice or servant to himself or owners) declaring the

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voyage or voyages, term or terms of time, for which such seaman or mariner shall be shipped. And if any master or commander of such ship or vessel shall carry out any seamen or mariners (except apprentices or servants as aforesaid) without such contract or agreement being first made and signed by the seamen and mariners, such master or commander shall pay to every such seaman or mariner the highest price or wages which shall have been given at the port or place where such seaman or mariner shall have been shipped, for a similar voyage, within three months next before the time of such shipping: *Provided*, such seaman or mariner shall perform such voyage; or if not, then for such time as he shall continue to do duty on board such ship or vessel; and shall moreover forfeit twenty dollars for every such seaman or mariner, one half to the use of the person prosecuting for the same, the other half to the use of the United States: and such seaman or mariner, not having signed such contract, shall not be bound by the regulations, nor subject to the penalties and forfeitures contained in this act.

Sec. 2. *And be it enacted*, That at the foot of every such contract, there shall be a memorandum in writing of the day and the hour on which such seaman or mariner, who shall so ship and subscribe, shall render themselves on board, to begin the voyage agreed upon. And if any such seaman or mariner shall neglect to render himself on board the ship or vessel, for which he has shipped, at the time mentioned in such memorandum; and if the master, commander, or other officer of the ship or vessel, shall, on the day on which such neglect happened, make an entry in the log-book of such ship or vessel, of the name of such seaman or mariner, and shall in like manner note the time that he so neglected to render himself, (after the time appointed;) every such seaman or mariner shall forfeit, for every hour which he shall so neglect to render himself, one day's pay, according to the rate of wages agreed upon, to be deducted out of his wages. And if any such seaman or mariner shall wholly neglect to render himself on board of such ship or vessel, or having rendered himself on board, shall afterwards desert and escape, so that the ship or vessel proceed to sea without him, every such seaman or mariner shall forfeit and pay to the master, owner, or consignee, of the said ship or vessel, a sum equal to that which shall have been paid to him by advance at the time of signing the contract, over and besides the sums so advanced, both which sums shall be recoverable in any court, or before any justice or justices of any State, city, town, or county, within the United States, which, by the laws thereof, have cognizance of debts of equal value, against such seaman or mariner, or his surety or sureties, in case he shall have given surety to proceed the voyage.

Sec. 3. *And be it further enacted*, That if the mate, or first officer under the master, and a majority of the crew of any ship or vessel,

bound on a voyage to any foreign port, shall, after the voyage is begun, (and before the ship or vessel shall have left the land,) discover that the said ship or vessel is too leaky, or is otherwise unfit in her crew, body, tackle, apparel, furniture, provisions, or stores, to proceed on the intended voyage, and shall require such unfitness to be inquired into, the master or commander shall, upon the request of the said mate, (or other officer,) and such majority forthwith proceed to, or stop at the nearest or most convenient port or place where such inquiry can be made, and shall there apply to the judge of the district court, if he shall there reside, or if not, to some justice of the peace of the city, town, or place, taking with him two or more of the said crew who shall have made such request; and thereupon such judge or justice is hereby authorized and required to issue his precept, directed to three persons in the neighborhood, the most skilful in maritime affairs that can be procured, requiring them to repair on board such ship or vessel, and to examine the same, in respect to the defects and insufficiencies complained of, and to make report to him, the said judge or justice, in writing, under their hands, or the hands of two of them, whether in any, or in what respect the said ship or vessel is unfit to proceed on the intended voyage, and what addition of men, provisions, or stores, or what repairs or alterations in the body, tackle, or apparel, will be necessary; and upon such report the said judge or justice shall adjudge and determine, and shall endorse on the said report his judgment, whether the said ship or vessel is fit to proceed on the intended voyage; and if not, whether such repairs can be made, or deficiencies supplied, where the ship or vessel then lays, or whether it be necessary for the said ship or vessel to return to the port from whence she first sailed, to be there refitted, and the master and crew shall in all things conform to the said judgment; and the master or commander shall, in the first instance, pay all the costs of such view, report and judgment, to be taxed and allowed on a fair copy thereof, certified by the said judge or justice. But if the complaint of the said crew shall appear upon the said report and judgment to have been without foundation, then the said master, or the owner or consignee of such ship or vessel, shall deduct the amount thereof, and of reasonable damages for the detention, (to be ascertained by the said judge or justice,) out of the wages growing due to the complaining seamen or mariners. And if after such judgment, such ship or vessel is fit to proceed on her intended voyage, or after procuring such men, provisions, stores, repairs, or alterations, as may be directed, the said seamen or mariners, or either of them, shall refuse to proceed on the voyage, it shall and may be lawful for any justice of the peace to commit by warrant, under his hand and seal, every such seaman or mariner (who shall so refuse) to the common jail of the county, there to remain without bail

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or mainprise, until he shall have paid double the sum advanced to him at the time of subscribing the contract for the voyage, together with such reasonable costs as shall be allowed by the said justice, and inserted in the said warrant, and the surety or sureties of such seaman or mariner (in case he or they shall have given any) shall remain liable for such payment; nor shall any such seaman or mariner be discharged upon any writ of habeas corpus or otherwise, until such sum be paid by him or them, or his or their surety or sureties, for want of any form of commitment, or other previous proceedings: *Provided*, That sufficient matter shall be made to appear, upon the return of such habeas corpus, and an examination then to be had, to detain him for the causes herein before assigned.

Sec. 4. *And be it enacted*, That if any person shall harbor or secrete any seaman or mariner belonging to any ship or vessel, knowing them to belong thereto, every such person, on conviction thereof before any court in the city, town, or county, where he, she, or they, may reside, shall forfeit and pay ten dollars for every day which he, she, or they, shall continue so to harbor or secrete such seaman or mariner, one half to the use of the person prosecuting for the same, the other half to the use of the United States; and no sum exceeding one dollar shall be recoverable from any seaman or mariner by any one person, for any debt contracted during the time such seaman or mariner shall actually belong to any ship or vessel, until the voyage for which such seaman or mariner engaged shall be ended.

Sec. 5. *And be it enacted*, That if any seaman or mariner, who shall have subscribed such contract as is herein before described, shall absent himself from on board the ship or vessel in which he shall have so shipped, without leave of the master or officer commanding on board, and the mate, or other officer, having charge of the log-book, shall make an entry therein of the name of such seaman or mariner, on the day on which he shall so absent himself, and if such seaman or mariner shall return to his duty within forty-eight hours, such seaman or mariner shall forfeit three days' pay for every day which he shall so absent himself, to be deducted out of his wages; but if any seaman or mariner shall absent himself for more than forty-eight hours at one time, he shall forfeit all the wages due to him, and all his goods and chattels which were on board the said ship or vessel, or in any store where they may have been lodged at the time of his desertion, to the use of the owners of the ship or vessel, and moreover shall be liable to pay to him or them all damages which he or they may sustain by being obliged to hire other seamen or mariners in his or their place, and such damages shall be recovered with costs, in any court, or before any justice or justices having jurisdiction of the recovery of debts to the value of ten dollars or upwards.

Sec. 6. *And be it enacted*, That every seaman or mariner shall be entitled to demand and receive from the master or commander of the ship or vessel to which they belong, one-third part of the wages which shall be due to him at every port where such ship or vessel shall unlade and deliver her cargo, before the voyage be ended, unless the contrary be expressly stipulated in the contract; and as soon as the voyage is ended, and the cargo or ballast be fully discharged at the last port of delivery, every seaman or mariner shall be entitled to the wages which shall be then due according to his contract; and if such wages shall not be paid within ten days after such discharge, or if any dispute shall arise between the master and seamen or mariners, touching said wages, it shall be lawful for the judge of the district where the said ship or vessel shall be, or in case his residence be more than three miles from the place, or of his absence from the place of his residence, then, for any judge or justice of the peace to summon the master of such ship or vessel to appear before him, to show cause why process should not issue against such ship or vessel, her tackle, furniture, and apparel, according to the course of admiralty courts, to answer for the said wages: and if the master shall neglect to appear, or appearing, shall not show that the wages are paid, or otherwise satisfied or forfeited, and if the matter in dispute shall not be forthwith settled, in such case the judge or justice shall certify to the clerk of the court of the district, that there is sufficient cause of complaint whereon to found admiralty process, and thereupon the clerk of such court shall issue process against the said ship or vessel, and the suit shall be proceeded on in the said court, and final judgment be given according to the course of admiralty courts in such cases used; and in such suit all the seamen or mariners (having cause of complaint of the like kind against the same ship or vessel) shall be joined as complainants; and it shall be incumbent on the master or commander to produce the contract and log-book, if required, to ascertain any matters in dispute, otherwise the complainants shall be permitted to state the contents thereof, and the proof of the contrary shall lie on the master or commander; but nothing herein contained shall prevent any seaman or mariner from having or maintaining any action at common law for the recovery of his wages, or from immediate process out of any court having admiralty jurisdiction, wherever any ship or vessel may be found, in case she shall have left the port of delivery where her voyage ended, before payment of the wages, or in case she shall be about to proceed to sea before the end of the ten days next after the delivery of her cargo on ballast.

Sec. 7. *And be it enacted*, That if any seaman or mariner, who shall have signed a contract to perform a voyage, shall, at any port or place, desert, or shall absent himself from such ship or vessel, without leave of the master, or offi-

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cer commanding in the absence of the master, it shall be lawful for any justice of the peace within the United States, (upon the complaint of the master,) to issue his warrant to apprehend such deserter, and bring him before such justice; and if it shall then appear by due proof that he has signed a contract within the intent and meaning of this act, and that the voyage agreed for is not finished, altered, or the contract otherwise dissolved, and that such seaman or mariner has deserted the ship or vessel, or absented himself without leave, the said justice shall commit him to the house of correction, or common jail of the city, town, or place, there to remain until the said ship or vessel shall be ready to proceed on her voyage, or till the master shall require his discharge, and then to be delivered to the said master, he paying all the cost of such commitment, and deducting the same out of the wages due to such seaman or mariner.

Sec. 8. *And be it enacted*, That every ship or vessel belonging to a citizen or citizens of the United States, of the burthen of one hundred and fifty tons or upwards, navigated by ten or more persons in the whole, and bound on a voyage without the limits of the United States, shall be provided with a chest of medicines, put up by some apothecary of known reputation, and accompanied by directions for administering the same; and the said medicines shall be examined by the same, or some other apothecary, once at least in every year, and supplied with fresh medicines in the place of such as shall have been used or spoiled; and in default of having such medicine chest so provided, and kept fit for use, the master or commander of such ship or vessel shall provide and pay for all such advice, medicine, or attendance of physicians, as any of the crew shall stand in need of in case of sickness, at every port or place where the ship or vessel may touch or trade at during the voyage, without any deduction from the wages of such sick seaman or mariner.

Sec. 9. *And be it enacted*, That every ship or vessel, belonging as aforesaid, bound on a voyage across the Atlantic ocean, shall, at the time of leaving the last port from whence she sails, have on board, well secured under deck, at least sixty gallons of water, one hundred pounds of salted flesh meat, and one hundred pounds of wholesome ship bread, for every person on board such ship or vessel, over and besides such other provisions, stores, and live stock, as shall, by the master or passengers, be put on board; and in like proportion for shorter or longer voyages; and in case the crew of any ship or vessel, which shall not have been so provided, shall be put upon short allowance in water, flesh, or bread, during the voyage, the master or owner of such ship or vessel shall pay to each of the crew one day's wages beyond the wages agreed on for every day they shall be so put to short allowance, to be recovered in the same manner as their stipulated wages.

Approved, July 20, 1790.

An Act imposing duties on the tonnage of ships or vessels.

*Be it enacted, &c.*, That upon all ships or vessels which, after the first day of September next, shall be entered in the United States from any foreign port or place, there shall be paid the several and respective duties following, that is to say: On ships or vessels of the United States, at the rate of six cents per ton; on ships or vessels built within the United States after the twentieth day of July last, but belonging wholly or in part to subjects of foreign Powers, at the rate of thirty cents per ton; on other ships or vessels at the rate of fifty cents per ton.

Sec. 2. *And be it further enacted*, That the aforesaid duty of six cents per ton shall be also paid upon every ship or vessel of the United States, which after the said first day of September next, shall be entered in a district in one State from a district in another State, other than an adjoining State on the sea-coast, or on a navigable river, having on board goods, wares, and merchandise, taken in one State to be delivered in another State: *Provided*, That it shall not be paid on any ship or vessel having a license to trade between the different districts of the United States, or to carry on the bank or whale fisheries whilst employed therein, more than once a year.

Sec. 3. *And be it further enacted*, That upon every ship or vessel not of the United States, which after the said first day of September next shall be entered in one district from another district, having on board goods, wares, and merchandise, taken in one district to be delivered in another district, there shall be paid at the rate of fifty cents per ton.

And whereas, it is declared by the twenty-third section of the act, entitled "An act for registering and clearing vessels, regulating the coasting trade, and for other purposes," "That if any vessel of the burthen of twenty tons or upwards, not having a certificate of registry or enrolment, and a license, shall be found trading between different districts, or be employed in the bank or whale fisheries, every such ship or vessel shall be subject to the same tonnage and fees as foreign ships or vessels," which, from the impracticability in some cases of obtaining licenses in due season, and from misapprehension in others, has operated to the prejudice of individuals; and it being proper that relief should be granted in cases where the strict operation of new laws may have occasioned hardship and inconvenience.

Sec. 4. *Be it therefore further enacted*, That in all cases in which the said foreign duty shall have been heretofore paid on ships or vessels of the United States, whether registered at the time of payment or afterwards, restitution thereof shall be made, and that no such foreign duty shall hereafter be demanded on the said ships or vessels.

Sec. 5. *And be it further enacted*, That the act, entitled "An act imposing duties on ton-

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nage," shall, after the said first day of September next, be repealed, and shall thenceforth cease to operate, except as to the collection of the duties which shall have accrued prior to the said repeal, for which purpose the said act shall continue in force.

Approved, July 20, 1790.

An Act providing for holding a treaty or treaties to establish peace with certain Indian tribes.

*Be it enacted, &c.,* That in addition to the balance unexpended, of the sum of twenty thousand dollars, appropriated by the act entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," a further sum, not exceeding twenty thousand dollars, arising from the duties on imports and tonnage, shall be, and the same is hereby appropriated, for defraying the expenses of negotiating and holding a treaty or treaties, and for promoting a friendly intercourse, and preserving peace, with the Indian tribes.

Approved, July 22, 1790.

An Act to amend the act for the establishment and support of light-houses, beacons, buoys, and public piers.

*Be it enacted, &c.,* That all expenses which shall accrue, from and after the fifteenth day of August next, for the necessary support, maintenance, and repairs, of all light-houses, beacons, buoys, and public piers, within the United States, shall continue to be defrayed by the United States, until the first day of July, one thousand seven hundred and ninety-one, notwithstanding such light-houses, beacons, buoys, and public piers, with the lands and tenements thereunto belonging, and the jurisdiction of the same, shall not, in the mean time, be ceded to, or vested in, the United States, by the State or States, respectively, in which the same may be, and that the said time be further allowed to the States, respectively, to make such cessions.

Approved, July 22, 1790.

An Act to regulate trade and intercourse with the Indian tribes.

*Be it enacted, &c.,* That no person shall be permitted to carry on any trade or intercourse with the Indian tribes, without a license for that purpose, under the hand and seal of the superintendent of the department, or of such other person as the President of the United States shall appoint for that purpose; which superintendent, or other person so appointed, shall, on application, issue such license to any proper person, who shall enter into bond, with one or more sureties, approved of by the superintendent, or person issuing such license, or by the President of the United States, in the penal

sum of one thousand dollars, payable to the President of the United States for the time being, for the use of the United States, conditioned for the true and faithful observance of such rules, regulations, and restrictions, as now are, or hereafter shall be, made for the government of trade and intercourse with the Indian tribes. The said superintendents, and persons by them licensed as aforesaid, shall be governed in all things, touching the said trade and intercourse, by such rules and regulations as the President shall prescribe. And no other person shall be permitted to carry on any trade or intercourse with the Indians, without such license as aforesaid. No license shall be granted for a longer term than two years: *Provided, nevertheless,* That the President may make such order respecting the tribes surrounded in their settlements by the citizens of the United States, as to secure an intercourse without license, if he may deem it proper.

Sec. 2. *And be it further enacted,* That the superintendent, or person issuing such license, shall have full power and authority to recall all such licenses as he may have issued, if the person so licensed shall transgress any of the regulations or restrictions, provided for the government of trade and intercourse with the Indian tribes, and shall put in suit such bonds as he may have taken, immediately on the breach of any condition in said bond: *Provided always,* That if it shall appear, on trial, that the person from whom such license shall have been recalled, has not offended against any of the provisions of this act, or the regulations prescribed for the trade and intercourse with the Indian tribes, he shall be entitled to receive a new license.

Sec. 3. *And be it further enacted,* That every person who shall attempt to trade with the Indian tribes, or be found in the Indian country with such merchandise in his possession as are usually vended to the Indians, without a license first had and obtained, as in this act prescribed, and being thereof convicted in any court proper to try the same, shall forfeit all the merchandise so offered for sale to the Indian tribes, or so found in the Indian country, which forfeiture shall be one half to the benefit of the person prosecuting, and the other half to the benefit of the United States.

Sec. 4. *And be it further enacted,* That no sale of lands made by any Indians, or any nation or tribe of Indians, within the United States, shall be valid to any person or persons, or to any State, whether having the right of pre-emption to such lands or not, unless the same shall be made and duly executed at some public treaty, held under the authority of the United States.

Sec. 5. *And be it further enacted,* That if any citizen or inhabitant of the United States, or of either of the territorial districts of the United States, shall go into any town, settlement, or territory, belonging to any nation or tribe of Indians, and shall there commit any

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crime upon, or trespass against, the person or property of any peaceable and friendly Indian or Indians, which, if committed within the jurisdiction of any State, or within the jurisdiction of either of the said districts, against a citizen or white inhabitant thereof, would be punishable by the laws of such State or district, such offender or offenders shall be subject to the same punishment, and shall be proceeded against in the same manner, as if the offence had been committed within the jurisdiction of the State or district to which he or they may belong, against a citizen or white inhabitant thereof.

*Sec. 6. And be it further enacted,* That for any of the crimes or offences aforesaid, the like proceedings shall be had for apprehending, imprisoning, or bailing, the offender, as the case may be, and for recognising the witnesses for their appearance to testify in the case, and where the offender shall be committed, or the witnesses shall be in a district other than that in which the offence is to be tried, for the removal of the offender and the witnesses, or either of them, as the case may be, to the district in which the trial is to be had, as by the act to establish the judicial courts of the United States, are directed for any crimes or offences against the United States.

*Sec. 7. And be it further enacted,* That this act shall be in force for the term of two years, and from thence to the end of the next session of Congress, and no longer.

Approved, July 22, 1796.

An Act making provision for the debt of the United States.

Whereas justice, and the support of public credit require, that provision should be made for fulfilling the engagements of the United States, in respect of their foreign debt, and for funding their domestic debt upon equitable and satisfactory terms:

*Be it enacted, &c.,* That reserving out of the moneys which have arisen since the last day of December last past, and which shall hereafter arise from the duties on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships or vessels, the yearly sum of six hundred thousand dollars, or so much thereof as may be appropriated from time to time, towards the support of the Government of the United States, and their common defence, the residue of the said moneys, or so much thereof as may be necessary, as the same shall be received in each year, next after the sum reserved as aforesaid, shall be, and is hereby appropriated to the payment of the interest which shall from time to time become due on the loans heretofore made by the United States in foreign countries; and also to the payment of interest on such further loans as may be obtained for discharging the arrears of interest thereupon, and the whole or any part of the principal thereof; to continue so appropriated

until the said loans, as well as those already made as those which may be made in virtue of this act, shall be fully satisfied, pursuant to the contracts relating to the same, any law to the contrary notwithstanding. *And provided,* That nothing herein contained shall be construed to annul or alter any appropriation by law made prior to the passing of this act.

And as new loans are, and will be, necessary for the payment of the aforesaid arrears of interest, and the instalments of the principal of the said foreign debt due, and growing due, and may also be found expedient for effecting an entire alteration in the state of the same.

*Sec. 2. Be it further enacted,* That the President of the United States be, and he is hereby, authorized to cause to be borrowed, on behalf of the United States, a sum or sums, not exceeding in the whole twelve millions of dollars; and that so much of this sum as may be necessary to the discharge of the said arrears and instalments, and (if it can be effected upon terms advantageous to the United States) to the paying off the whole of the said foreign debt, be appropriated solely to those purposes: And the President is moreover further authorized to cause to be made such other contracts respecting the said debt as shall be found for the interest of the said States: *Provided nevertheless,* That no engagement nor contract shall be entered into, which shall preclude the United States from reimbursing any sum or sums borrowed within fifteen years after the same shall have been lent or advanced.

And whereas, it is desirable to adapt the nature of the provision to be made for the domestic debt to the present circumstances of the United States, as far as it shall be found practicable, consistently with good faith and the rights of the creditors, which can only be done by a voluntary loan on their part:

*Sec. 3. Be it therefore further enacted,* That a loan to the full amount of the said domestic debt be, and the same is hereby proposed; and that books for receiving subscriptions to the said loan be opened at the Treasury of the United States, and by a commissioner to be appointed in each of the said States, on the first day of October next, to continue open until the last day of September following, inclusively; and that the sums which shall be subscribed thereto, be payable in certificates issued for the said debt, according to their specie value, and computing the interest upon such as bear interest to the last day of December next, inclusively; which said certificates shall be of these several descriptions, to wit:

Those issued by the Register of the Treasury;

Those issued by the commissioners of loans in the several States, including certificates given pursuant to the act of Congress of the second January, one thousand seven hundred and seventy-nine, for bills of credit of the several emissions of the twentieth of May, one thousand seven hundred and seventy-seven,



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and the eleventh of April, one thousand seven hundred and seventy-eight;

Those issued by the commissioners for the adjustment of the accounts of the quartermaster, commissary, hospital, clothing, and marine departments;

Those issued by the commissioners for the adjustment of accounts in the respective States;

Those issued by the late and present paymaster general, or commissioner of army accounts;

Those issued for the payment of interest, commonly called indents of interest;

And in the bills of credit issued by the authority of the United States in Congress assembled, at the rate of one hundred dollars in the said bills, for one dollar in specie.

Sec. 4. *And be it further enacted*, That for the whole or any part of any sum subscribed to the said loan, by any person or persons, or body politic, which shall be paid in the principal of the said domestic debt, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be expressed therein, equal to two-thirds of the sum so paid, bearing an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate; and to another certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be expressed therein, equal to the proportion of thirty-three dollars and one-third of a dollar upon a hundred of the sum so paid, which, after the year one thousand eight hundred, shall bear an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate: *Provided*, That it shall not be understood that the United States shall be bound or obliged to redeem in the proportion aforesaid; but it shall be understood only that they have a right so to do.

Sec. 5. *And be it further enacted*, That for the whole or any part of any sum subscribed to the said loan, by any person or persons, or body politic, which shall be paid in the interest of the said domestic debt, computed to the said last day of December next, or in the said certificates issued in payment of interest, commonly called indents of interest, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be specified therein, equal to that by him, her, or them, so paid, bearing an interest of three per centum per annum, payable quarter-yearly, and subject to redemption by payment of the sum specified therein, whenever provision shall be made by law for that purpose.

Sec. 6. *And be it further enacted*, That a commissioner be appointed for each State, to reside therein, whose duty it shall be to superintend the subscriptions to the said loan; to open books for the same; to receive the certificates which shall be presented in payment thereof; to liquidate the specie value of such of them as shall not have been before liquidated; to issue the certificates above mentioned in lieu thereof, according to the terms of each subscription; to enter in books, to be by him kept for that purpose, credits to the respective subscribers to the said loan, for the sums to which they shall be respectively entitled; to transfer the said credits upon the said books from time to time as shall be requisite; to pay the interest thereupon as the same shall become due, and generally to observe and perform such directions and regulations as shall be prescribed to him by the Secretary of the Treasury, touching the execution of his office.

Sec. 7. *And be it further enacted*, That the stock which shall be created pursuant to this act, shall be transferable only on the books of the Treasury, or of the said commissioners respectively, upon which the credit for the same shall exist at the time of transfer, by the proprietor or proprietors of such stock, his, her, or their attorney; but it shall be lawful for the Secretary of the Treasury, by special warrant, under his hand and the seal of the Treasury, countersigned by the Comptroller, and registered by the Register, at the request of the respective proprietors, to authorize the transfer of such stock from the books of one commissioner to those of another commissioner, or to those of the Treasury, and from those of the Treasury to those of a commissioner.

Sec. 8. *And be it further enacted*, That the interest upon the said stock, as the same shall become due, shall be payable quarter-yearly: that is to say, one-fourth part thereof on the last day of March; one other fourth part thereof on the last day of June; one other fourth part thereof on the last day of September; and the remaining fourth part thereof on the last day of December in each year, beginning on the last day of March next ensuing; and payment shall be made where-soever the credit for the said stock shall exist at the time such interest shall become due, that is to say: at the Treasury, if the credit for the same shall then exist on the books of the Treasury, or at the office of the commissioner, upon whose books such credit shall then exist. But if the interest for one quarter shall not be demanded before the expiration of a third quarter, the same shall be afterwards demandable only at the Treasury.

And, as it may happen that some of the creditors of the United States may not think fit to become subscribers to the said loan,

Sec. 9. *Be it further enacted*, That nothing in this act contained shall be construed in any wise to alter, abridge, or impair, the rights of those creditors of the United States, who shall not subscribe to the said loan, or the contracts

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upon which their respective claims are founded; but the said contracts and rights shall remain in full force and virtue.

And that such creditors may not be excluded from a participation in the benefit hereby intended to the creditors of the United States in general, while the said proposed loan shall be depending, and until it shall appear from the event thereof what further or other arrangements may be necessary respecting the said domestic debt:

Sec. 10. *Be it therefore further enacted,* That such of the creditors of the United States as may not subscribe to the said loan, shall nevertheless receive, during the year one thousand seven hundred and ninety-one, a rate per centum on the respective amounts of their respective demands, including interest, to the last day of December next, equal to the interest payable to subscribing creditors, to be paid at the same times, at the same places, and by the same persons as is herein before directed, concerning the interest on the stock which may be created in virtue of the said proposed loan. But as some of the certificates now in circulation have not heretofore been liquidated to specie value, as most of them are greatly subject to counterfeit, and counterfeits have actually taken place in numerous instances, and as embarrassment and imposition might, for these reasons, attend the payment of interest on those certificates in their present form, it shall therefore be necessary to entitle the said creditors to the benefit of the said payment, that those of them who do not possess certificates issued by the Register of the Treasury, for the registered debt, should produce, previous to the first day of June next, their respective certificates, either at the Treasury of the United States, or to some one of the commissioners to be appointed as aforesaid, to the end that the same may be cancelled, and other certificates issued in lieu thereof; which new certificates shall specify the specie amount of those in exchange for which they are given, and shall be otherwise of the like tenor with those heretofore issued by the said Register of the Treasury, for the said registered debt, and shall be transferable on the like principles with those directed to be issued on account of the subscriptions to the loan hereby proposed.

Sec. 11. *And be it further enacted,* That the commissioners who shall be appointed pursuant to this act, shall respectively be entitled to the following yearly salaries, that is to say: The commissioner for the State of New Hampshire, six hundred and fifty dollars; the commissioner for the State of Massachusetts, fifteen hundred dollars; the commissioner for the State of Rhode Island and Providence Plantations, six hundred dollars; the commissioner for the State of Connecticut, one thousand dollars; the commissioner for the State of New York, fifteen hundred dollars; the commissioner for the State of New Jersey, seven hundred dollars; the commissioner for the State of Pennsylvania, fifteen hundred dollars; the commissioner for

the State of Delaware, six hundred dollars; the commissioner for the State of Maryland, one thousand dollars; the commissioner for the State of Virginia, fifteen hundred dollars; the commissioner for the State of North Carolina, one thousand dollars; the commissioner for the State of South Carolina, one thousand dollars; the commissioner for the State of Georgia, seven hundred dollars; which salaries shall be in full compensation for all services and expenses.

Sec. 12. *And be it further enacted,* That the said commissioners before they enter upon the execution of their several offices, shall respectively take an oath or affirmation for the diligent and faithful execution of their trust, and shall also become bound with one or more sureties to the satisfaction of the Secretary of the Treasury, in a penalty not less than five thousand, nor more than ten thousand dollars, with condition for their good behaviour in the said offices respectively.

And whereas a provision for the debts of the respective States by the United States, would be greatly conducive to an orderly, economical, and effectual arrangement of the public finances:

Sec. 13. *Be it therefore further enacted,* That a loan be proposed to the amount of twenty-one million and five hundred thousand dollars, and that subscriptions to the said loan be received at the same times and places, and by the same persons, as in respect to the loan herein before proposed concerning the domestic debt of the United States. And that the sums which shall be subscribed to the said loan, shall be payable in the principal and interest of the certificates or notes, which, prior to the first day of January last, were issued by the respective States, as acknowledgments or evidences of debts by them respectively owing, except certificates issued by the commissioners of army accounts in the State of North Carolina, in the year one thousand seven hundred and eighty-six.

*Provided,* That no greater sum shall be received in the certificates of any State, than as follows: that is to say,

In those of New Hampshire, three hundred thousand dollars;

In those of Massachusetts, four million dollars;

In those of Rhode Island and Providence Plantations, two hundred thousand dollars;

In those of Connecticut, one million six hundred thousand dollars;

In those of New York, one million two hundred thousand dollars;

In those of New Jersey, eight hundred thousand dollars;

In those of Pennsylvania, two million two hundred thousand dollars;

In those of Delaware, two hundred thousand dollars;

In those of Maryland, eight hundred thousand dollars;

In those of Virginia, three million five hundred thousand dollars;

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In those of North Carolina, two million four hundred thousand dollars;

In those of South Carolina, four million dollars;

In those of Georgia, three hundred thousand dollars;

*And provided*, That no such certificate shall be received, which, from the tenor thereof, or from any public record, act, or document, shall appear, or can be ascertained to have been issued for any purpose, other than compensations and expenditures for services or supplies towards the prosecution of the late war, and the defence of the United States, or of some part thereof during the same.

Sec. 14. *Provided also, and be it further enacted*, That if the total amount of the sums which shall be subscribed to the said loan in the debt of any State, within the time limited for receiving subscriptions thereto, shall exceed the sum by this act allowed to be subscribed within such State, the certificates and credits granted to the respective subscribers, shall bear such proportion to the sums by them respectively subscribed, as the total amount of the said sums shall bear to the whole sum so allowed to be subscribed in the debt of such State within the same. And every subscriber to the said loan shall, at the time of subscribing, deposit with the commissioner the certificates or notes to be loaned by him.

Sec. 15. *And be it further enacted*, That for two-thirds of any sum subscribed to the said loan, by any person or persons, or body politic, which shall be paid in the principal and interest of the certificates or notes issued as aforesaid, by the respective States, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, or his, her, or their assigns, a sum to be expressed therein, equal to two-thirds of the aforesaid two-thirds, bearing an interest of six per centum per annum, payable quarter-yearly, and subject to redemption by payments, not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate; and to another certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be expressed therein, equal to the proportion of thirty-three dollars, and one-third of a dollar upon a hundred of the said two-thirds of such sum so subscribed, which after the year one thousand eight hundred, shall bear an interest of six per centum per annum, payable quarter-yearly, and subject to redemption by payments, not exceeding, in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate; and that for the remaining third of any sum so subscribed, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a

sum to be expressed therein, equal to the said remaining third, bearing an interest of three per cent. per annum, payable quarter-yearly, and subject to redemption by payment of the sum specified therein, whenever provision shall be made by law for that purpose.

Sec. 16. *And be it further enacted*, That the interest upon the certificates which shall be received in payment of the sums subscribed towards the said loan, shall be computed to the last day of the year one thousand seven hundred and ninety-one, inclusively; and the interest upon the stock which shall be created by virtue of the said loan, shall commence or begin to accrue on the first day of the year one thousand seven hundred and ninety-two, and shall be payable quarter-yearly, at the same time, and in like manner as the interest on the stock to be created by virtue of the loan above proposed in the domestic debt of the United States.

Sec. 17. *And be it further enacted*, That if the whole sum allowed to be subscribed in the debt or certificates of any State as aforesaid, shall not be subscribed within the time for that purpose limited, such State shall be entitled to receive, and shall receive, from the United States, an interest per centum per annum, upon so much of the said sum as shall not have been so subscribed, equal to that which would have accrued on the deficiency, had the same been subscribed in trust for the non-subscribing creditors of such State, who are holders of certificates or notes, issued on account of services or supplies towards the prosecution of the late war, and the defence of the United States, or of some part thereof, to be paid in like manner as the interest on the stock which may be created by virtue of the said loan, and to continue until there shall be a settlement of accounts between the United States, and the individual States; and in case a balance shall then appear in favor of such State, until provision shall be made for the said balance.

But as certain States have respectively issued their own certificates, in exchange for those of the United States, whereby it might happen that interest might be twice payable on the same sums:

Sec. 18. *Be it further enacted*, That the payment of interest, whether to States or to individuals, in respect to the debt of any State, by which such exchange shall have been made, shall be suspended, until it shall appear to the satisfaction of the Secretary of the Treasury, that certificates issued for that purpose by such State, have been re-exchanged or redeemed, or until those which shall not have been re-exchanged or redeemed, shall be surrendered to the United States.

Sec. 19. *And be it further enacted*, That so much of the debt of each State as shall be subscribed to the said loan, and the moneys (if any) that shall be advanced to the same pursuant to this act, shall be a charge against such State, in account with the United States.

Sec. 20. *And be it further enacted*, That the

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moneys arising under the revenue laws, which have been, or during the present session of Congress may be passed, or so much thereof as may be necessary, shall be, and are hereby pledged and appropriated for the payment of the interest on the stock which shall be created by the loans aforesaid, pursuant to the provisions of this act, first paying that which shall arise on the stock created by virtue of the said first mentioned loan, to continue so pledged and appropriated, until the final redemption of the said stock, any law to the contrary notwithstanding, subject nevertheless to such reservations and priorities as may be requisite to satisfy the appropriations heretofore made, and which, during the present session of Congress, may be made by law, including the sums herein before reserved and appropriated: and to the end that the said moneys may be inviolably applied in conformity to this act, and may never be diverted to any other purpose, an account shall be kept of the receipts and disposition thereof, separate and distinct from the product of any other duties, imposts, excises, and taxes, whatsoever, except such as may be hereafter laid, to make good any deficiency which may be found in the product thereof, towards satisfying the interest aforesaid.

Sec. 21. *And be it further enacted*, That the faith of the United States be, and the same is hereby, pledged, to provide, and appropriate hereafter, such additional and permanent funds as may be requisite towards supplying any such deficiency, and making full provision for the payment of the interest which shall accrue on the stock to be created by virtue of the loans aforesaid, in conformity to the terms thereof, respectively, and according to the tenor of the certificates to be granted for the same, pursuant to this act.

Sec. 22. *And be it further enacted*, That the proceeds of the sales which shall be made of lands in the western territory, now belonging, or that may hereafter belong, to the United States, shall be, and are hereby appropriated towards sinking or discharging the debts, for the payment whereof the United States now are, or by virtue of this act may be, holden, and shall be applied solely to that use, until the said debts shall be fully satisfied.

Approved, August 4, 1790.

An Act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships or vessels.

*Be it enacted, &c.*, That for the collection of the duties imposed by law on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships or vessels, there shall be established and appointed, districts, ports, and officers, in manner following, to wit:

The State of New Hampshire shall be one district, to be called the district of Portsmouth, of which the town of Portsmouth shall be the

sole port of entry; and the towns of Newcastle, Dover, and Exeter, ports of delivery only; but all ships or vessels bound to or from either of the said ports of delivery, shall first come to, enter, and clear at Portsmouth; and a collector, naval officer, and surveyor, for the said district, shall be appointed, to reside at Portsmouth.

In the State of Massachusetts shall be twenty districts and ports of entry, to wit: Newburyport, Gloucester, Salem, and Beverly, as one; Marblehead, Boston, and Charlestown, as one; Plymouth, Barnstable, Nantucket, Edgartown, New Bedford, Dighton, York, Biddleford, and Pepperelborough, as one; Portland, and Falmouth, as one; Bath, Wiscasset, Penobscot, Frenchman's Bay, Machias, and Passamaquoddy. To the district of Newburyport shall be annexed the several towns or landing places of Almsbury, Salisbury, and Haverhill, which shall be ports of delivery only; and a collector, naval officer, and surveyor, for the district, shall be appointed, to reside at Newburyport. To the district of Gloucester shall be annexed the town of Manchester, as a port of delivery only; and a collector and surveyor shall be appointed, to reside at Gloucester. To the district of Salem and Beverly shall be annexed the towns or landing places of Danvers and Ipswich, as ports of delivery only; and a collector, naval officer, and surveyor, for the district, shall be appointed, to reside at Salem, and a surveyor to reside at each of the towns of Beverly and Ipswich. To the district of Marblehead shall be annexed the town of Lynn, as a port of delivery only; and a collector for the district shall be appointed, to reside at Marblehead. To the district of Boston and Charlestown shall be annexed the towns or landing places of Medford, Cohasset, and Hingham, as ports of delivery only; and a collector, naval officer, and surveyor, shall be appointed, to reside at Boston. To the district of Plymouth shall be annexed the several towns or landing places of Scituate, Duxbury, and Kingston, as ports of delivery only; and a collector for the district shall be appointed, to reside at Plymouth. To the district of Barnstable shall be annexed the several towns or landing places of Sandwich, Falmouth, Harwich, Welfleet, Provincetown, and Chatham, as ports of delivery only; and a collector for the district shall be appointed, to reside at Barnstable. To the district of Nantucket the port of Sherburne shall be the sole port of entry and delivery within the same; and a collector shall be appointed, to reside at Sherburne. In the district of Edgartown a collector shall be appointed, to reside at Edgartown. To the district of New Bedford shall be annexed Westport, Rochester, and Wareham, as ports of delivery only; and a collector for the district shall be appointed, to reside at New Bedford. To the district of Dighton shall be annexed Swansey and Freetown, as ports of delivery only; and a collector for the district shall be appointed, to reside at Dighton. To the dis-

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tract of York shall be annexed Kittery and Berwick, as ports of delivery only; and a collector for the district shall be appointed, to reside at York. To the district of Biddeford and Peppereborrough shall be annexed Scarborough, Wells, Kennebunk, and Cape Porpoise, as ports of delivery only; and a collector for the district shall be appointed, to reside at Biddeford. To the district of Portland and Falmouth shall be annexed North Yarmouth and Brunswick, as ports of delivery only; and a collector and surveyor shall be appointed for the district, to reside at Portland. To the district of Bath shall be annexed Hollowell, Pittstown, and Topsham, as ports of delivery only; and a collector for the district shall be appointed, to reside at Bath. To the district of Wiscasset shall be annexed Bristol, Boothbay, Warren, Thomaston, and Waldoborough, as ports of delivery only; and a collector for the district shall be appointed, to reside at Wiscasset. To the district of Penobscot shall be annexed Frankfort, Sedgwick Point, and Deer Island, as ports of delivery only; and a collector for the district shall be appointed, to reside at Penobscot. To the district of Frenchman's Bay shall be annexed Union river, as a port of delivery only; and a collector for the district shall be appointed, to reside at Frenchman's Bay. For each of the districts of Machias and Passamaquoddy shall be appointed a collector, to reside at the said ports of Machias and Passamaquoddy, respectively. The district of Newburyport shall include all the waters and shores from the State of New Hampshire to the north line of Ipswich. The district of Gloucester shall include all the waters and shores in the towns of Gloucester and Manchester. The district of Salem and Beverly shall include all the shores and waters within the towns of Ipswich, Beverly, Salem, and Danvers. The district of Marblehead shall include all the waters and shores within the towns of Marblehead and Lynn. The district of Boston and Charlestown shall include all the waters and shores within the counties of Middlesex and Suffolk. The district of Plymouth shall include all the waters and shores within the county of Plymouth, excepting the towns of Wareham and Rochester. The district of Barnstable shall include all the shores and waters within the county of Barnstable. The district of Nantucket shall include the island of Nantucket. The district of Edgartown shall include all the waters and shores within the county of Duke's County. The district of New Bedford shall include all the waters and shores within the towns of New Bedford, Dartmouth, Westport, Rochester, and Wareham, together with all the islands within the county of Bristol. The district of Dighton shall include all the waters and shores on Taunton river, and in the town of Rehoboth; and the collectors of the several districts within that part of the State of Massachusetts, eastward of New Hampshire, shall agree, as soon as may be, upon

a divisional line between their respective districts, and transmit the same to the Comptroller of the Treasury; and such districts, so agreed upon, shall include all the shores, waters, and islands, within the same. And in case of disagreement between any of the said collectors, concerning such divisional line, the Secretary of the Treasury shall determine the same.

In the State of Rhode Island and Providence Plantations there shall be two districts, to wit: The district of Newport, and the district of Providence. The district of Newport shall comprehend all the waters, shores, bays, harbors, creeks and inlets, from the west line of the said State all along the seacoast, and northward up the Narraganset Bay, as far as the most easterly part of Kinnimicut Point, at high water mark; and shall include the several towns, harbors, and landing places, at Westerly, Charleston, South Kingstown, North Kingstown, East Greenwich, and all that part of Warwick southward of the latitude of said Kinnimicut Point; and also the towns, harbors, and landing places of Barrington, Warren, Bristol, Tiverton, Little Compton, and all the towns, harbors, and landing places, of the island of Rhode Island, Jamestown, Prudence, New Shoreham, and every other island and place within the said State, southward of the latitude of the said Kinnimicut Point. The district of Providence shall comprehend all the waters, shores, bays, harbors, creeks, and inlets, within the said State, northward of the latitude of Kinnimicut Point. The town of Newport shall be the sole port of entry in the said district of Newport; and a collector, naval officer, and surveyor, shall be appointed, to reside at the said town of Newport; and North Kingstown, East Greenwich, Barrington, Warren, Bristol, and Pawcatuck river, in Westerly, shall be ports of delivery only, and a surveyor shall be appointed, to reside at each of the ports of North Kingstown, East Greenwich, Warren, Bristol, and Pawcatuck river, and the surveyor to reside at Warren shall be surveyor for the port of Barrington. The town of Providence shall be the sole port of entry in the said district of Providence, and Patuxet in the same district shall be a port of delivery only; and a collector, naval officer, and surveyor shall be appointed to reside at Providence, and a surveyor shall be appointed to reside at Patuxet.

In the State of Connecticut shall be three districts, to wit: New London, New Haven, and Fairfield. The district of New London shall extend from the east line of the said State of Connecticut, to the west line of the town of Killingsworth, and north to the south line of the State of Massachusetts; and shall also include the several towns or landing places of Norwich, Stonington, Groton, Lyme, Saybrook, Haddon, East Haddon, Middletown, Chatham, Weathersfield, Glastonbury, Hartford, East Hartford, Windsor, East Windsor, and Killingsworth, as ports of delivery only; New London to be the sole port of entry; and

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a collector and surveyor for the district shall be appointed, to reside at New London; and a surveyor to reside at each of the ports of Stonington and Middletown. The district of New Haven shall extend from the west line of the district of New London, westerly to Ousatumnick river; to which shall be annexed the several towns or landing places of Guildford, Brandford, Milford, and Derby, as ports of delivery only; New Haven to be the sole port of entry; and a collector and surveyor for the district shall be appointed, to reside at New Haven. The district of Fairfield shall include all the ports and places in the said State of Connecticut west of the district of New Haven; to which shall be annexed the several towns or landing places of Norwalk, Stratford, Stamford, and Greenwich, as ports of delivery only; Fairfield to be the sole port of entry, and a collector for the district shall be appointed, to reside at Fairfield. And New London, New Haven, and Fairfield shall severally be ports of entry.

In the State of New York shall be two districts, to wit: Sagg Harbor on Nassau or Long Island, and the city of New York, each of which shall be a port of entry. The district of Sagg Harbor shall include all bays, harbors, rivers, and shores within the two points of land which are called Oyster Pond Point, and Montauk Point; and a collector for the district shall be appointed, to reside at Sagg Harbor, which shall be the only place of delivery in the said district. The district of the city of New York shall include such part of the coasts, rivers, bays, and harbors of the said State, not included in the district of Sagg Harbor; and moreover the several towns or landing places of New Windsor, Newburgh, Poughkeepsie, Esopus, city of Hudson, Kinderhook, and Albany, as ports of delivery only; and a naval officer, collector, and surveyor for the district shall be appointed, to reside in the city of New York; also two surveyors, one to reside at the city of Albany, and the other at the city of Hudson; and all-ships or vessels bound to or from any port of delivery within the last named district, shall be obliged to come to, and enter or clear out at the city of New York.

In the State of New Jersey shall be four districts, to wit: Perth Amboy, Burlington, Bridgetown, and Great Egg Harbor, which shall severally be ports of entry. The district of Perth Amboy shall comprehend all that part of the State of New Jersey, known by the name of East New Jersey, (that part excepted which is hereafter included in the district of Burlington,) together with all the waters thereof heretofore within the jurisdiction of the said State; in which district the towns or landing places of New Brunswick, Middletown Point, Elizabethtown, and Newark shall be ports of delivery only; and a collector for the district shall be appointed, to reside at Perth Amboy. The district of Burlington shall comprehend that part of the said State known by the name of

West New Jersey, which lies to the eastward and northward of the county of Gloucester, with all the waters thereof heretofore within the jurisdiction of the said State, including the river and inlet of Little Egg Harbor, with the waters emptying into the same, and the seacoast, sound, inlets, and harbors thereof, from Barnegat inlet to Brigantine inlets, in which district the landing places of Lamberton, and Little Egg Harbor shall be ports of delivery only, and a collector shall be appointed for the district, to reside at Burlington, and a surveyor at Little Egg Harbor. The district of Bridgetown shall comprehend the counties of Gloucester, Salem, Cumberland, and Cape May (such part of the counties of Gloucester and Cape May as shall be hereinafter included in the district of Great Egg Harbor, excepted) and all the waters thereof heretofore within the jurisdiction of the said State; and the town of Salem and Port Elizabeth, on Maurice river shall be ports of delivery only; and a collector shall be appointed, to reside at Bridgetown. The district of Great Egg Harbor shall comprehend the river of Great Egg Harbor, together with all the inlets, bays, sound, rivers, and creeks, along the seacoast, from Brigantine inlet to Cape May; and a collector shall be appointed, to reside at Somers' Point, on the said river of Great Egg Harbor.

The State of Pennsylvania shall be one district, and Philadelphia shall be the sole port of entry and delivery for the same; and a collector, naval officer, and surveyor for the district shall be appointed, to reside at the said port of Philadelphia.

The State of Delaware shall be one district, and the borough of Wilmington shall be the port of entry, to which shall be annexed New-castle and Port Penn, as ports of delivery only; and a collector for the district shall be appointed, to reside at the said port of Wilmington.

In the State of Maryland shall be nine districts, to wit: Baltimore, Chester, Oxford, Vienna, Snowhill, Annapolis, Nottingham, Cedar Point, and Georgetown. The district of Baltimore shall include Patapsco, Susquehannah, and Elk rivers, and all the waters and shores on the west side of Chesapeake Bay, from the mouth of Magetty river to the south side of Elk river, inclusive, in which Havre de Grace and Elkton shall be ports of delivery only; and a collector, naval officer, and surveyor shall be appointed for the said district, to reside at the town of Baltimore, which shall be the sole port of entry. The district of Chester shall include Chester river, and all the waters and shores on the eastern side of Chesapeake Bay, from the south side of Elk river to the north side of the Eastern Bay and Wye river, inclusive; in which Georgetown on Sas-safas river shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Chester, which shall be the sole port of entry. The district of Oxford shall include all the waters and shores on the



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eastern side of Chesapeake Bay, from the north side of Wye river and the Eastern Bay, to the south side of Great Choptank river, inclusive; and Cambridge shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Oxford, which shall be the sole port of entry. The district of Vienna shall include all the waters and shores on the eastern side of Chesapeake Bay, from the south side of Great Choptank river, to the south side of Hooper's Strait, Haynes's Point, and Wicomico river, inclusive; and Salisbury shall be the port of delivery only; and a collector for the district shall be appointed, to reside at Vienna, which shall be the sole port of entry. The district of Snowhill shall include all the waters and shores on the seacoast, from the north line of Virginia, to the south line of Delaware, together with all the waters and shores on the eastern side of Chesapeake Bay, from the south side of Wicomico river, to the south side of Pocomoke river, inclusive, so far as the jurisdiction of the said State of Maryland extends; to which Sinnipuxent shall be a port of delivery for West India produce only; and a collector for the district shall be appointed, to reside at Snowhill, which shall be the sole port of entry. The district of Annapolis shall include Magetty river, and all the waters and shores from thence to Drum Point, on Patuxent river; and a collector for the district shall be appointed, to reside at Annapolis, which shall be the sole port of entry and delivery for the same. The district of Nottingham shall include all the waters and shores on the west side of Chesapeake Bay to Drum Point on the river Patuxent, together with the said river, and all the navigable waters emptying into the same, to which Benedict, Lower Marlborough, Town Creek, and Sylvey's Landing shall be annexed as ports of delivery only; a collector for the district shall be appointed, to reside at Nottingham, and a surveyor at Town Creek; and Nottingham shall be the sole port of entry. The district of Cedar Point shall include all the waters of the Potomac within the jurisdiction of the State of Maryland, from Point-look-out to Pomonky Creek, inclusive; to which Nanjemoy, Saint Mary's, and Lewellensburg shall be annexed as a port of delivery only; and a collector for the district shall be appointed, to reside at Cedar Point; also a surveyor to reside at each of the ports of Saint Mary's and Lewellensburg; and Cedar Point shall be the sole port of entry. The district of Georgetown shall include all the waters and shores from Pomonky Creek, on the north side of Potomac river, to the head of the navigable waters of the said river within the jurisdiction of the State of Maryland; to which Digges's Landing and Carrolsburg shall be annexed as ports of delivery only; and a collector for the district shall be appointed, to reside at Georgetown, which shall be the sole port of entry.

In the State of Virginia shall be twelve districts, to wit: Hampton as one port; Norfolk

and Portsmouth as one port; Bermuda Hundred and City Point as one port; Yorktown, Tappahannock, Yeocomico river, including Kinsale, Dumfries, including Newport, Alexandria, Foley Landing, Cherrystone, South Quay, and Louisville. The authority of the officers at Hampton shall extend over all the waters, shores, bays, harbors, and inlets, between the south side of the mouth of York river, along the west shore of Chesapeake Bay to Hampton, and thence up James river to the west side of Chickahomony river; and a collector shall be appointed, to reside at Hampton, which shall be the sole port of entry. To the district of Norfolk and Portsmouth shall be annexed Suffolk and Smithfield as ports of delivery only; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets comprehended within a line drawn from Cape Henry to the mouth of James river, and thence up James river to Jordan's Point, and up Elizabeth river to the highest tide water thereof; and Norfolk and Portsmouth shall be the sole port of entry; and a collector, naval officer, and surveyor for the district shall be appointed, to reside at Norfolk; also a surveyor to reside at each of the ports of Suffolk and Smithfield. To the district of Bermuda Hundred or City Point shall be annexed Richmond, Petersburg, and Manchester, as ports of delivery only; and a collector and surveyor shall be appointed, to reside at Bermuda Hundred, or City Point, which shall be the sole port of entry; also a surveyor for Petersburg to reside thereat; and a surveyor for Richmond and Manchester to reside at Richmond; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended between Jordan's Point, and the highest tide water on James and Appamattox rivers. To the district of Yorktown shall be annexed West Point and Cumberland as ports of delivery only; and a collector for the district shall be appointed, to reside at Yorktown, which shall be the sole port of entry; also a surveyor for the two ports of delivery, to reside at West Point; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets, comprehended between the point forming the south shore of the mouth of Rappahannock river, and the point forming the south shore of the mouth of York river, and thence up the said river to West Point, and thence up Pamunkey and Mattaponi rivers to the highest navigable waters thereof. To the district of Tappahannock shall be annexed Urbanna, Port Royal, and Fredericksburg, including Falmouth, as ports of delivery only; and a collector for the district shall be appointed, to reside at Tappahannock, which shall be the sole port of entry; also a surveyor for each of the ports of Urbanna, Port Royal, and Fredericksburg; and the authority of the officers of the said district shall extend over all the waters, shores,

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bays, harbors, and inlets comprehended between Smith's Point, at the mouth of the Potomac river, and the point forming the south shore of the mouth of Rappahannock river, and thence up the last mentioned river to the highest tide water thereof. The district of Yeocomico river, including Kinsale, shall extend from Smith's Point on the south side of Potomac river to Boyd's Hole on the same river, including all the waters, shores, bays, rivers, creeks, harbors, and inlets along the south shore of Potomac river to Boyd's Hole aforesaid; and Yeocomico, including Kinsale, shall be the sole port of entry; and a collector shall be appointed to reside on Yeocomico river. The district of Dumfries, including Newport, shall extend from Boyd's Hole to Cockpit Point on the south side of Potomac river; and a collector shall be appointed to reside at Dumfries, which shall be the sole port of entry; and the authority of the officers of this district shall extend over all the waters, shores, bays, harbors, and inlets comprehended between Boyd's Hole and Cockpit Point aforesaid. For the district of Alexandria shall be appointed a collector and surveyor, to reside at Alexandria, which shall be the sole port of entry; and the authority of the officers of the said district shall extend over all the waters, shores, bays, harbors, and inlets on the south side of the river Potomac, from the last mentioned Cockpit Point to the highest tide water of the said river. For the district of Foley Landing shall be appointed a collector, who shall reside at Accomack Courthouse, and whose authority shall extend over all the waters, shores, bays, harbors, and inlets of the county of Accomack. For the district of Cherrystone shall be appointed a collector, to reside at Cherrystone, whose authority shall extend over all the waters, shores, bays, harbors, and inlets comprehended within Northampton county. For the district of South Quay a collector shall be appointed, to reside thereat, whose authority shall extend over all the waters, shores, bays, harbors, and inlets in that part of Virginia, comprehended within the limits of the said State. For the district of Louisville a collector shall be appointed, to reside thereat, whose authority shall extend over all the waters, shores, and inlets included between the rapids and the mouth of the Ohio river on the south side thereof.

In the State of North Carolina shall be five districts; one to be called the district of Wilmington, and to comprehend all the waters, shores, bays, harbors, creeks, and inlets, from Little River inlet, inclusive, to New River inlet, inclusive; another to be called the district of Newbern, and to comprehend all the waters, shores, bays, harbors, creeks, and inlets, from New River inlet, exclusive, to Ocracoke inlet, inclusive, together with that part of Pampticoe sound that lies southward and westward of the shoal projecting from the mouth of Pampticoe river towards the Royal Shoal, and southward of the said Royal Shoal. Another to be called

the district of Washington, and to comprehend all that part of Pampticoe sound not included in the district of Newbern, as far north as the marshes. - Another to be called the district of Edenton, and to comprehend all the waters, bays, harbors, creeks, and inlets, from the marshes, inclusive, northward and westward, except those included in the district of Camden. The other to be called the district of Camden, and to comprehend North River, Pasquotank and Little Rivers, and all the waters, shores, bays, harbors, creeks, and inlets, from the junction of Currituck and Albemarle sounds to the north extremity of Back Bay. That in the district of Wilmington, the town of Wilmington shall be a port of entry and delivery, and there shall be a collector, naval officer, and surveyor, to reside at the said town of Wilmington. That in the district of Newbern, the town of Newbern shall be a port of entry and delivery, and the towns of Beaufort and Swansborough shall be ports of delivery only, and there shall be a collector to reside at Newbern, and a surveyor to reside at Beaufort, and one at Swansborough. That in the district of Washington the town of Washington shall be the sole port of entry and delivery, and there shall be a collector to reside within the same. That in the district of Edenton, the town of Edenton shall be a port of entry and delivery, and Hertford, Murfreesborough, Princeton, Winton, Bennet's Creek, Plymouth, Windsor, and Skewarkey, ports of delivery; and there shall be a collector to reside at the town of Edenton, and a surveyor at each of the ports of Hertford, Winton, Bennet's Creek, Plymouth, Windsor, and Skewarkey; and one at Murfreesborough, for said port and for Princeton. That all ships or vessels intending to proceed to Plymouth, Windsor, Skewarkey, Winton, Bennet's Creek bridge, Murfreesborough, or Princeton, shall first come to and enter at the port of Edenton. That in the district of Camden, Plankbridge on Sawyer's Creek shall be the port of entry and delivery, and Nixonton, Indiantown, Newbiggin Creek, Currituck inlet, Pasquotank River bridge, ports of delivery; and there shall be a collector at Plankbridge on Sawyer's Creek, and a surveyor at each of the ports of Nixonton, Indiantown, Currituck inlet, Pasquotank River bridge, and Newbiggin Creek; and that the authority of the officers of each district shall extend over all the waters, shores, bays, harbors, creeks, and inlets comprehended within such district. *Provided*, That any vessels coming in at Ocracoke inlet, that may be under the necessity of employing lighters before they pass the Royal Shoal, may be at liberty to enter at any port of entry connected with the waters of said inlet, to which such vessels are bound. And that any vessel coming in at the said inlet in ballast, with the purpose of loading without the Royal Shoal, shall be at liberty to enter at any port of entry connected with the waters of the said inlet.

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In the State of South Carolina there shall be three districts, to wit: Georgetown, Charleston, and Beaufort, each of which shall be a port of entry. The district of Georgetown shall include the shores, inlets, and rivers, from the boundary of North Carolina to the point of Cape Romain. The district of Charleston shall include all the shores, inlets, and rivers, from Cape Romain to Combahee river inclusive; and the district of Beaufort shall include the shores, inlets, and rivers, from Combahee river to Back river in Georgia, comprehending also the shores, inlets, and harbors formed by the different bars and sea islands lying within each district respectively. At the port of Charleston shall be a collector, naval officer, and surveyor; and a collector at each of the other ports.

In the State of Georgia shall be four districts, to wit: Savannah, Sunbury, Brunswick, and Saint Mary's, each of which shall be a port of entry. The district of Savannah shall include Savannah river, and all the waters, shores, harbors, rivers, creeks, bays, and inlets, from the said river to the north point of Ossabaw island, and Great Ogeeche rivers, inclusive; and a naval officer, collector, and surveyor shall be appointed for the said district, to reside at Savannah. The district of Sunbury shall comprehend all the waters, shores, harbors, rivers, creeks, bays, and inlets, south of the north point of Ossabaw island and Great Ogeeche river, exclusive, and north of the south point of Sapelo island, inclusive, and a collector for the said district shall be appointed to reside at Sunbury. The district of Brunswick shall comprehend all the waters, shores, harbors, rivers, creeks, bays, and inlets, from the south point of Sapelo island, exclusive, to the south point of Jekyll island, inclusive; Frederica shall be a port of delivery only; and a collector for the district shall be appointed, to reside at Brunswick. The district of Saint Mary's shall comprehend all the waters, shores, harbors, rivers, creeks, bays, and inlets, from the south point of Jekyll island, exclusive, to Saint Mary's river, inclusive; and a collector for the said district shall be appointed, to reside at Saint Mary's; and in each of the said districts it shall be lawful for the collector to grant a permit to unlade at any port or place within the district, and to appoint or put on board any ship or vessel for which a permit is granted, one or more searchers or inspectors as may be necessary for the security of the revenue.

Sec. 2. *And be it further enacted*, That it shall not be lawful to make entry of any ship or vessel which shall arrive from any foreign port or place within the United States, or of the cargo on board such ship or vessel elsewhere than at one of the ports of entry hereinbefore established, nor to unlade the said cargo, or any part thereof, elsewhere than at one of the ports of delivery herein established. *Provided always*, That every port of entry shall be also a port of delivery. *And provided further*, That none but ships or vessels of the United

States shall be admitted to unlade at any other than the ports following, to wit: Portsmouth, in the State of New Hampshire; Portland and Falmouth, New Bedford, Dighton, Salem, and Beverly, Gloucester, Newburyport, Marblehead, Sherburne, Boston, and Charlestown, Plymouth, Bath, Frenchman's Bay, Wiscasset, Machias, and Penobscot, in the State of Massachusetts; Newport and Providence, in the State of Rhode Island and Providence Plantations; New London and New Haven, in the State of Connecticut; New York, in the State of New York; Perth-Amboy and Burlington, in the State of New Jersey; Philadelphia, in the State of Pennsylvania; Wilmington, Newcastle, and Port Penn, in the State of Delaware; Baltimore, Annapolis, Vienna, Oxford, Georgetown on Potomac, Chestertown, Town-creek, Nottingham, Cedar Point, Digges's Landing, Snowhill, and Carrolsburg, in the State of Maryland; Alexandria, Kinsale, Newport, Tappahannock, Port Royal, Fredericksburg, Urbanna, Yorktown, West Point, Hampton, Bermuda Hundred, City Point, Rocket's Landing, Norfolk, and Portsmouth, in the State of Virginia; Wilmington, Newbern, Washington, Edenton, and Plankbridge, in the State of North Carolina; Charleston, Georgetown, and Beaufort, in the State of South Carolina; and in either of the districts of Savannah, Sunbury, Brunswick, Frederica, and Saint Mary's in the State of Georgia; or to make entry in any other district than in one in which they shall be so admitted to unlade. *And provided lastly*, That no ship or vessel arriving from the Cape of Good Hope, or from any place beyond the same, shall be admitted to make entry at any other than the ports following, to wit: Portsmouth, in the State of New Hampshire; Boston and Charlestown, Newburyport, Salem, and Beverly, Gloucester, Portland, and Falmouth, in the State of Massachusetts; Newport and Providence, in the State of Rhode Island and Providence Plantations; New London, and New Haven, in the State of Connecticut; New York, in the State of New York; Perth-Amboy, in the State of New Jersey; Philadelphia, in the State of Pennsylvania; Wilmington, in the State of Delaware; Baltimore, Annapolis, and Georgetown, in the State of Maryland; Alexandria, Norfolk, and Portsmouth, in the State of Virginia; Wilmington, Newbern, Washington, and Edenton, in the State of North Carolina; Charleston, Georgetown, and Beaufort, in the State of South Carolina; and Sunbury and Savannah, in the State of Georgia. *Provided*, That nothing herein contained shall prevent the master or commander of any ship or vessel from making entry with the collector of any district in which such ship or vessel may be owned, or from which she may have sailed on the voyage from which she shall then have returned.

Sec. 3. *And be it further enacted*, That the master or commander of every ship or vessel bound to a port of delivery only, in any of the

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following districts, to wit: Portland and Fal-mouth, Bath, Newburyport, New London, (except the port of Stonington, in the said district,) Norfolk, and Portsmouth, Bermuda Hundred and City Point, Yorktown, or Tappahannock, (except the port of Urbanna, in the said district,) and Edenton shall first come to at the port of entry of such district, with his ship or vessel, and there make report or entry, and pay, or secure to be paid, all legal duties, port fees, and charges in manner by this act provided, before such ship or vessel shall proceed to her port of delivery; and that any ship or vessel bound to a port of delivery in any district other than those above mentioned, or to either of the ports of Stonington or Urbanna, may first proceed to her port of delivery, and afterwards make report or entry within the time by this act limited.

Sec. 4. *And be it further enacted*, That the master or commander of every ship or vessel, if bound to the district of Nottingham, shall, before he pass by the port of Town Creek, and immediately after his arrival, deposite with the surveyor of the said port, a true manifest of the cargo on board such ship or vessel; if bound to the district of Tappahannock, shall, before he pass by the port of Urbanna, and immediately after his arrival, deposite with the surveyor for that port a like manifest; if bound to the district of Bermuda Hundred or City Point, shall, before he pass by Elizabeth River, and immediately after his arrival, deposite with the collector of the port of Norfolk and Portsmouth, or with the collector of the port of Hampton, a like manifest: and if bound to the district of South Quay, shall, before he pass by the port of Edenton, and immediately after his arrival, deposite with the collector of the port of Edenton, a like manifest. And the said surveyors and collectors respectively shall, after registering the manifests, transmit the same, duly certified to have been so deposited, to the officer with whom the entries are to be made. And if the master or commander of any ship or vessel shall neglect or omit to deposite a manifest in manner aforesaid, and as the case shall require, he shall forfeit and pay five hundred dollars, to be recovered with costs of suit, one half to the use of the officer with whom such manifest ought to have been deposited, and the other half to the use of the collector of the district to which the said ship or vessel may be bound. *Provided*, That if manifests shall have been in either of the said cases previously delivered to any officer of the customs, pursuant to the provision hereinafter to be made in that behalf, the depositing of a manifest as aforesaid shall not be necessary. *And provided also*, That no master of any ship or vessel which was absent from the United States on the first day of May last, and which hath not since returned within the same, or of any ship or vessel not owned wholly or in part by a citizen or inhabitant of the United States, shall incur the said penalty, if he shall make oath or affirma-

tion that he had no knowledge of or information concerning the regulation herein contained, unless it can be otherwise proved that he had such knowledge or information.

Sec. 5. *And be it further enacted*, That all officers and persons to be appointed pursuant to this act, before they enter upon the duties of their respective offices, shall severally take an oath diligently and faithfully to execute the duties of their said offices respectively, and to use their best endeavors to prevent and detect frauds in relation to the duties imposed by the laws of the United States; which oath, if taken by a collector, may be taken before any magistrate authorized to administer oaths within the district to which he belongs; but if taken by another, shall be taken before the collector of his district, and being certified under the hand and seal of the person by whom the same shall have been administered, shall, within three months thereafter be transmitted to the Comptroller of the Treasury; in default of taking which oath, the party failing shall forfeit and pay two hundred dollars, to be recovered with costs of suit, in any court of competent jurisdiction, to the use of the United States.

Sec. 6. *And be it further enacted*, That the several officers of the customs shall respectively perform the duties following, to wit: at such of the ports to which there shall be appointed a collector, naval officer, and surveyor, the collector shall receive all reports, manifests, and documents, to be made or exhibited on the entry of any ship or vessel, according to the regulations of this act; shall record in books to be kept for that purpose, all such manifests; shall receive the entries of all ships and vessels, and of the goods, wares, and merchandise imported in them; shall, together with the naval officer, where there is one, or alone where there is none, estimate the amount of the duties payable thereupon, endorsing the said amount upon the respective entries; shall receive all moneys paid for duties, and take all bonds for securing the payment thereof; shall grant all permits for the unlading and delivery of goods; shall employ proper persons as weighers, gaugers, measurers, and inspectors at the several ports within his district; and shall provide at the public expense, and with the approbation of the principal officer of the Treasury Department, store-houses for the safe-keeping of goods, and such scales, weights, and measures as may be necessary. The naval officers shall receive copies of all manifests; shall, together with the collector, estimate the duties on all goods, wares, and merchandise subject to duty, keeping a separate record thereof; and shall countersign all permits, clearances, certificates, and debentures to be granted by the collector. The surveyor shall superintend and direct all inspectors, weighers, measurers, and gaugers within his district; shall visit and inspect the ships or vessels which arrive within his district, and shall have power to put on board each of them one or more inspectors; shall ascertain the

proofs of distilled spirits, rating those which shall be of the proof of twenty-four degrees as of Jamaica proof; and shall examine whether the goods imported in any ship or vessel, and the deliveries thereof, are conformable to the entries of such goods and the permits for landing the same; and the said surveyor shall in all cases be subject to the control of the collector. And at such ports to which a collector and surveyor only are assigned, the said collector shall solely execute all the duties in which the co-operation of the naval officer is requisite at the ports where a naval officer shall be appointed, which he shall also do in case of the disability or death of the naval officer. And at the ports to which a collector only is assigned, such collector shall solely execute all the duties in which the co-operation of the naval officer is requisite as aforesaid: and shall also, as far as may be, perform all the duties prescribed to surveyors at the ports where such officers are established. And at ports to which surveyors only are assigned, every such surveyor shall perform all the duties herein before enjoined upon surveyors; and shall also receive and record the copies of all manifests which shall be transmitted to him by the collector; shall record all permits granted by such collector, distinguishing the gauge, weight, measure, and quality of the goods specified therein; and shall take care that no goods be unladen or delivered from any ship or vessel without a proper permit for that purpose. And at such ports of delivery only to which no surveyor is assigned, it shall be lawful for the collector of the district occasionally and from time to time to employ a proper person or persons to do the duties of a surveyor, who shall be entitled to the like compensation with inspectors, during the time they shall be employed. And the said collectors, naval officers, and surveyors shall respectively attend in person at the ports at which they are respectively assigned; and shall keep fair and true accounts and records of all their transactions as officers of the customs, in such manner and form as may be directed by the proper department, or officer having the superintendence of the collection of the revenue of the United States; and shall, at all times, submit their books, papers, and accounts to the inspection of such persons as may be appointed for that purpose. And the said collectors shall at all times pay to the order of the officer who shall be authorized to direct the payment thereof, the whole of the moneys which they may respectively receive by virtue of this act (such moneys as they are otherwise by this act directed to pay only excepted); and shall also once in every three months, and oftener if they shall be required, transmit their accounts for settlement to the officer or officers whose duty it shall be to make such settlement.

Sec. 7. *And be it further enacted*, That every collector, naval officer, and surveyor, in cases of occasional and necessary absence, or of sickness, and not otherwise, may respectively ex-

ercise and perform their several powers, functions, and duties, by deputy duly constituted under their hands and seals respectively, for whom in the execution of the trust they shall respectively be answerable.

Sec. 8. *And be it further enacted*, That in case of the disability or death of a collector, the duties and authorities vested in him shall devolve on his deputy, if any there be at the time of such disability or death (for whose conduct the estate of such disabled or deceased collector shall be liable): and in defect of a deputy, the said authorities and duties shall devolve upon the naval officer of the same district, if any there be; and if there be no naval officer, upon the surveyor of the port appointed for the residence of such disabled or deceased collector, if any there be; and if none, upon the surveyor of the port nearest thereto, and within the same district. And in every case of the death or disability of a surveyor, it shall be lawful for the collector of the district to nominate some fit person to perform his duties and exercise his authorities. And the authorities of the persons hereby empowered to act in the stead of those who may be disabled or dead, shall continue until successors shall be duly appointed, and ready to enter upon the execution of their respective offices.

Sec. 9. *And be it further enacted*, That from and after the first day of October next, no goods, wares, or merchandise shall be brought into the United States from any foreign port or place in any ship or vessel belonging in the whole or in part to a citizen or citizens, inhabitant or inhabitants of the United States, unless the master or person having the charge or command of such ship or vessel shall have on board a manifest or manifests in writing, signed by such master or other person, containing the name or names of the port or ports, place or places where the goods in such manifest or manifests mentioned, shall have been respectively taken on board, and the port or ports, place or places within the United States for which the same are respectively consigned or destined, and the name and built of such ship or vessel, and the true admeasurement or tonnage thereof according to the register of the same, together with the name of the master or other person having the command or charge of such ship or vessel, and the port or place to which such ship or vessel truly belongs, and a just and particular account of all the cargo so laden or taken on board, whether in packages or stowed loose, together with the marks and numbers, in words at length, of the said packages respectively, with a description of each, as whether leaguer, pipe, butt, puncheon, hogshead, barrel, case, bale, pack, truss, chest, box, bundle, or other cask or package, describing the same by its usual name or denomination.

Sec. 10. *And be it further enacted*, That if any goods, wares, or merchandise shall, after the said first day of October next, be imported or brought into the United States in any ship

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or vessel whatever belonging in the whole or in part to a citizen or citizens, inhabitant or inhabitants of the United States, from any foreign port or place, without such manifest or manifests in writing, or shall not be included and described therein, or shall not agree therewith, in every such case the master or other person having the command or charge of such ship or vessel, shall forfeit a sum of money equal to the value of such goods, not included in such manifest or manifests. *Provided always*, That if it shall be made appear to the satisfaction of the collector, naval officer, and surveyor, or the major part of them, where those offices are established at any port, or to the satisfaction of the collector alone, where either of the other of the said offices is not established, or to the satisfaction of the court in which a trial shall be had concerning such forfeiture, that no part of the cargo of such ship or vessel had been unshipped after it was taken on board, except such as shall have been specified and accounted for in the report of the master or other person having the charge or command of such ship or vessel, and that the manifest or manifests had been lost or mislaid, without fraud or collusion, or that the same was or were defaced by accident, or incorrect by mistake, in every such case the forfeiture aforesaid shall not be incurred.

Sec. 11. *And be it further enacted*, That every master or other person having the charge or command of any ship or vessel belonging in the whole or in part to a citizen or citizens, inhabitant or inhabitants of the United States, laden with goods as aforesaid, and bound to any port or place in the United States, shall, on his arrival within four leagues of the coast thereof, or within any of the bays, harbors, ports, rivers, creeks, or inlets thereof, upon demand, produce such manifest or manifests in writing, which such master or other person is hereinbefore required to have on board his said ship or vessel, to such officer or officers of the customs, as shall first come on board his said ship or vessel, for his or their inspection, and shall deliver to such officer or officers a true copy or copies thereof (which copy or copies shall be provided and subscribed by the said master or other person having the command or charge of such ship or vessel); and that the officer or officers to whom the original manifest or manifests shall have been so produced, shall respectively certify upon the back thereof, that the same was or were produced, and the day and year on which the same was or were so produced, and that such copy or copies as aforesaid, was or were to him or them delivered, and shall likewise certify upon the back of such copy or copies, the day and year on which the same was or were delivered, and shall forthwith transmit such copy or copies to the respective collectors of the several districts, to which the goods by such manifest or manifests shall appear respectively to be consigned; and that the said master or other person so having the charge or command of any such ship or vessel, shall in

like manner produce to the officer or officers of the customs who shall first come on board such ship or vessel upon her arrival within the limits of any district of the United States, in which the cargo or any part thereof is intended to be discharged or landed, for his or their inspection, such manifest or manifests as aforesaid, and shall also deliver to him or them a true copy or copies thereof, (such copy or copies also to be provided and subscribed by the said master or other person having the charge or command of such ship or vessel,) the production of which said manifest or manifests, and the delivery of which said copy or copies thereof shall also be certified by the said officer or officers of the customs who shall so first come on board the said ship or vessel on her arrival within the limits of any such district, upon the back of the said original manifest or manifests, with the particular day and year when such manifest or manifests was or were produced to such officer or officers, and when he or they so received the said copy or copies thereof; and such officer or officers is and are hereby required forthwith to transmit or cause to be transmitted, the said copy or copies of the said manifest or manifests to the collector of that district, and the said master or person having the charge or command of the said ship or vessel, shall afterwards produce and deliver the said original manifest or manifests to the said collector. *Provided always*, That nothing herein contained shall be construed to require of such master or other person having the charge or command of such ship or vessel, the delivery of more than one copy of each manifest to the officer or officers aforesaid, who shall first come on board of such ship or vessel, within four leagues of the coast of the United States aforesaid, and one other copy to such officer or officers as shall first come on board, within the limits of any district for which the cargo of such ship or vessel or some part thereof shall be consigned or destined; or shall be construed to require the delivery of any such copy to any other officer; but it shall be sufficient in respect to any such other officer, to produce and show to him the said original manifest or manifests, and the certificate or certificates thereupon.

Sec. 12. *And be it further enacted*, That if the master or other person having the charge or command of any ship or vessel laden as aforesaid, and bound to any port or place in the United States, shall not upon his arrival within four leagues of the coast thereof, or within the limits of any district thereof, where the cargo of such ship or vessel or any part thereof is intended to be discharged, produce such manifest or manifests in writing, to the proper officer or officers upon demand thereof, and also deliver such copy or copies thereof as aforesaid according to the directions of this act in each case, or shall not give an account of the destination of such ship or vessel, which he is hereby required to do, upon request of such officer or officers, or shall give a false account



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of the said destination, in order to evade the production of the said manifest or manifests, the said master or other person having the charge or command of such ship or vessel, shall forfeit for every such refusal, neglect, or offence, a sum not exceeding five hundred dollars. And if such officer or officers first coming on board, in each case within the distance or limits aforesaid, shall neglect or refuse to certify on the back of such manifest or manifests, the production thereof, and the delivery of such copy or copies respectively, as are herein before directed to be delivered to such officer or officers, every such officer, so neglecting or refusing, shall forfeit and pay the sum of five hundred dollars.

Sec. 13. *And be it further enacted*, That if after the arrival of any ship or vessel so laden with goods as aforesaid, and bound to the United States, within the limits of any of the districts of the United States, or within four leagues of the coast thereof, any part of the cargo of such ship or vessel shall be unladen for any purpose whatever, from out of such ship or vessel as aforesaid, within the limits or distance aforesaid, before such ship or vessel shall come to the proper place for the discharge of her cargo or some part thereof, and shall be there duly authorized by the proper officer or officers of the customs, to unlade the same, the master or other person having the charge or command of such ship or vessel, and the mate or other person next in command, shall respectively forfeit and pay the sum of one thousand dollars; and the goods, wares, and merchandise so unladen and unshipped shall be forfeited and lost, except in the case of some unavoidable accident, necessity, or distress of weather, of which unavoidable accident, necessity, or distress the master or other person having the charge or command of such ship or vessel, shall give notice to, and together with two or more of the mariners on board such ship or vessel, shall make proof upon oath before the collector or other chief officer of the customs of the district, within the limits of which such accident, necessity, or distress shall happen, or before the collector or other chief officer of the first district of the United States within the limits of which such ship or vessel shall afterwards arrive, if the said accident, necessity, or distress shall have happened not within the limits of any district, but within four leagues of the coast of the United States, (which oath the said collector or other chief officer is hereby authorized and required to administer.)

Sec. 14. *And be it further enacted*, That if any goods, wares, or merchandise so unladen from on board of any such ship or vessel shall be put or received into any other ship, vessel, or boat, except in the case of such accident, necessity, or distress as aforesaid, to be notified and proved as aforesaid, the said master or other person having the charge or command of the ship, vessel, or boat into which the said goods shall be so put and received, and every

other person aiding and assisting therein, shall forfeit treble the value of the said goods; and the said ship, boat, or vessel shall also be forfeited and lost.

Sec. 15. *And be it further enacted*, That if any ship or vessel which shall have arrived within the limits of any district of the United States from any foreign port or place, shall depart or attempt to depart from the same, unless to proceed on her way to some more interior district to which she may be bound, before report or entry shall have been made by the master or other person having the charge or command of such ship or vessel, with the collector of some district of the United States, the said master or other person having such charge or command shall forfeit and pay the sum of four hundred dollars. And it shall be lawful for any collector, naval-officer, surveyor, or commander of any of the cutters hereinafter mentioned, to arrest and bring back, or cause to be arrested and brought back, such ship or vessel, to such port of the United States to which it may be most conveniently done. *Provided*, That it shall be made to appear by the oath of the said master or other person having the charge or command of such ship or vessel, and of the person next in command, or other sufficient proof to the satisfaction of the collector of the district within which such ship or vessel shall afterwards come, or to the satisfaction of the court in which the prosecution for such penalty may be had, that the said departure, or attempt to depart, was occasioned by distress of weather, pursuit or duress of enemies, or other necessity, the said penalty shall not be incurred.

Sec. 16. *And be it further enacted*, That within twenty-four hours after the arrival of any ship or vessel from any port or place, at any port of the United States established by law, at which an officer of the customs resides, or within any harbor, inlet, or creek thereof, if the hours of business at the office of the chief officer of the customs at such port will permit, or as soon thereafter as the said hours will permit, the master or other person having the charge or command of such ship or vessel, shall repair to the said office, and shall make report to the said chief officer of the arrival of the said ship or vessel; and within forty-eight hours after such arrival, shall make a further report to the collector of the said district in which such port may be, of the name, burthen, and lading of such ship or vessel, whether in packages or stowed loose, and of the particular marks, numbers, and contents of each package, and the place or places, person or persons to or for which or whom they are respectively consigned or destined, also of the place or places where she took in her lading, of what country built, from what foreign port or place she last sailed, who was master or commander of her during the voyage, who is at the time of such report master or commander of her, and (if a vessel of the United States) who are owners of her; unless the whole of such informa-

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tion required on the second report as aforesaid, shall have been given at the time of making the first report, in which case it shall not be necessary to make a further report. And in the cases in which the master or person having the charge or command of any ship or vessel hereinbefore required to have on board at the time of her departure from such foreign port or place for the United States, a manifest or manifests of the lading of such ship or vessel, or of any part thereof, the said master or person having the said charge or command shall, at the time of making the said report, deliver the said manifest or manifests to the collector to whom the said report shall be made, and shall declare to the truth of such manifest or manifests, as the same ought to be, in conformity to the directions of this act. And the said master or person having the charge or command of any such ship or vessel shall in each case declare that no part of her lading, since her departure from the said foreign port or place from which she shall be so reported to have last sailed, has been landed or unladed, or otherwise removed from on board of her, except as he shall then specify, together with the cause, time, place, and manner; and shall further declare that in case he shall afterwards discover or know of any goods, wares, or merchandise, other than those by him then reported, he will forthwith thereafter make report thereof to the said collector: which report and declarations respectively shall be in writing, signed by the party making the same, and shall be attested by his oath, to the best of his knowledge and belief; and the said collector is hereby authorized and required to administer the same. And if the said master or person having the charge or command of any such ship or vessel shall neglect or omit to make the said reports, or either of them, and declaration or declarations, or to deliver the said manifest or manifests, or to take the said oath, as the case may require, he shall for every such offence forfeit and pay the sum of one thousand dollars.

Sec. 17. *Provided always, and be it further enacted*, That it shall not be necessary for the master or person having the charge or command of any ship or vessel of war, or of any ship or vessel employed by any Prince or State, as a public packet for the conveyance of letters and despatches, and not permitted by the laws of such Prince or State to be employed in the transportation of goods, wares, or merchandise, in the way of trade, to make such report and entry as aforesaid.

Sec. 18. *And be it further enacted*, That it shall be lawful for the said ship or vessel to proceed with any goods, wares, or merchandise brought in her, which shall be reported by the said master or other person having the charge or command of the said ship or vessel, to be destined for any foreign port or place from the district within which such ship or vessel shall first arrive, to such foreign port or place, without paying or securing the payment of any du-

ties upon such of the said goods, wares, or merchandise as shall be actually re-exported in the said ship or vessel accordingly; any thing herein contained to the contrary notwithstanding. *Provided always*, That the said master or person having the charge or command of the said ship or vessel shall first give bond with one or more sureties, in a sum equal to the amount of the duties upon the said goods, wares, and merchandise, as the same shall be estimated by the collector to whom the said report shall be made, to the satisfaction of the said collector, with condition that the said goods, wares, or merchandise, or any part thereof, shall not be landed within the United States, unless due entry thereof shall have been first made, and the duties thereupon paid or secured according to law, which bond shall be cancelled in like manner as bonds hereinafter directed to be given for obtaining drawbacks of duties. *Provided, nevertheless*, That such bond shall not be required in respect to the goods on board of any ship or vessel which shall have put into the United States from necessity, to be made appear in manner hereinafter prescribed.

Sec. 19. *And be it further enacted*, That it shall be lawful for any ship or vessel in which any goods, wares, or merchandise shall be brought into the United States from any foreign port or place, to proceed with the same from district to district within the United States, in order to the landing or delivery thereof; and the duties on such of the said goods only as shall be landed in any district, shall be paid or secured to be paid within such district.

Sec. 20. *And be it further enacted*, That before any ship or vessel shall depart from the district in which she shall first arrive, for another district, with goods, wares, or merchandise brought in such ship or vessel from a foreign port or place, the duties whereof shall not have been paid or secured, the master or person having the charge or command of such ship or vessel, shall obtain from the collector of the district from which she shall be about to depart (who is hereby required to grant the same) a copy of the report made by such master or person having the charge or command of such ship or vessel, certified by the said collector, together with a certificate of the quantity and particulars of the goods which shall appear to him to have been landed within his district. And within twenty-four hours after the arrival of such ship or vessel within any other district, the said master or person having the charge or command of such ship or vessel shall make report or entry to or with the collector of such other district, producing and showing the said certified copy of his said first report, together with a certificate from each collector of any other district within which any of the goods, wares, or merchandise brought in such ship or vessel shall have been before landed, of the quantity and particulars of such of the said goods, wares, and merchandise as shall have

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been so landed in each district respectively; except in the State of Georgia, where such report shall be made within forty-eight hours. *Provided always*, That the master or person having the charge or command of the said ship or vessel shall first give bond with one or more sureties to the satisfaction of the collector of the district within which the said ship or vessel shall first arrive, in a sum equal to the amount of the duties on the residue of the said goods, according to such estimate as the said collector shall form thereof, with condition that the said residue of the said goods shall be duly entered and delivered in such other district or districts of the United States, for which the same shall have been reported to be destined. And the said bond shall be cancelled or discharged by the production of a certificate or certificates from the collector or collectors of the district or districts for which the said goods shall have been reported, testifying the due entry and delivery of the said goods in such district or districts, or upon due proof to the satisfaction of the collector by whom the said bond shall have been taken, that such entry and delivery were prevented by some unavoidable accident or casualty, and that if the whole or any part of the said goods shall not have been lost, that the same has been duly entered and delivered within the United States. And if the master or person having charge or command of any such ship or vessel, shall fail by his neglect or fault to obtain the said copy of his said report from the collector of the district from which he shall be so about to depart, or of any certificate which he ought to obtain as aforesaid, or shall neglect to produce and show the same to the collector of any other district to which the said ship or vessel shall afterwards proceed, within the time for that purpose hereinbefore specified, he shall forfeit and pay for every such neglect or omission five hundred dollars.

Sec. 21. *And be it further enacted*, That the owner or owners, consignee or consignees of any goods, wares, or merchandise on board of any such ship or vessel, or in case of his, her, or their absence or sickness, his, her, or their known factor or agent, in his, her, or their names, within fifteen days after report of the master or person having the charge or command of such ship or vessel to the collector of the district for which such goods, wares, or merchandise shall be destined, shall make entry thereof with the said collector, and shall specify in such entry the particular marks, numbers, and contents of each package or parcel whereof they shall consist, or if in bulk, the quantity and quality, together with the nett prime cost thereof; and shall also produce to the said collector, if any such there be, the original invoice or invoices, or other documents in lieu thereof, and bill or bills of lading; all which shall be done upon the oath of the person by whom such entry shall be made, according to the best of his or her knowledge and belief; who shall thereby also declare that if he or she shall afterwards

discover or know of any other goods, wares, or merchandise imported in such ship or vessel, belonging or consigned to the person or persons by whom or on whose behalf such entry shall have been made, he or she will forthwith make known the same, in order to the due entry thereof, and the payment or securing the payment of the duties thereupon. *Provided always*, That where the particulars of any such goods, wares, or merchandise shall be unknown, in lieu of the entry hereinbefore directed to be made, an entry thereof shall be made and received according to the circumstances of the case, the party making the same, declaring upon oath all that he or she knows or believes concerning the quantity and particulars of the said goods, and that he or she has no other knowledge or information concerning the same; which entry, as well the first as the last, shall be made in writing, and shall be subscribed by the party making the same.

And in order to ascertain what articles ought to be exempted from duty, as the sea-stores of a ship or vessel,

Sec. 22. *Be it further enacted*, That the master or person having the charge or command of such ship or vessel, shall particularly specify the said articles in the report to be by him made as aforesaid, designating them as the sea-stores of the said ship or vessel; and in the said oath to be taken by such master or other person, he shall declare that the articles so specified as sea-stores are truly such, and were *bonâ fide* put on board the said ship or vessel for the use of the officers, crew, and passengers thereof, and were not brought and are not intended by way of merchandise or for sale; whereupon the said articles shall be free from duty. *Provided always*, That if it shall appear to the collector to whom such report shall be made, together with the naval officer, where there is one, or alone where there is none, that the quantities of the said articles so reported as sea-stores are excessive, it shall be lawful for the said collector jointly with the said naval officer, or alone as the case may be in his or their discretion, to estimate the amount of the duty on such excess; which shall be forthwith paid by the said master or person having the command or charge of the said ship or vessel to the said collector, on pain of forfeiting the value of such excess. And if any of the said articles shall be landed for the purpose of being sold, or to be otherwise used than as the sea-stores of the ship or vessel in which they were brought, all such as shall be so landed shall be forfeited, and the master or commander of such ship or vessel being privy thereto, shall moreover forfeit and pay treble the value of the articles so landed.

And also to ascertain what articles ought to be exempted from duty, as the clothes, books, household furniture, tools, or implements of the trade or profession of persons arriving within the United States,

Sec. 23. *Be it further enacted*, That due entry thereof, as of other goods, wares, and mer-

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chandise, but separate and distinct from that of any other goods, wares, or merchandise imported from a foreign port or place, shall be made with the collector of the district in which the said articles are intended to be landed by the owner thereof, his or her agent, who shall make oath before the said collector, according to the best of his or her knowledge or belief, touching the person to whom the said articles shall belong, and his calling or occupation, the arrival or expected arrival of the said person within the United States, and that the said articles are truly intended for the use of the said owner solely, or jointly with his or her family, as the case may be, and are not directly or indirectly imported or intended for sale; which oath shall be in writing, endorsed upon the said entry, and subscribed by the party making the same. And in case the said party shall be other than the owner of the said articles, he or she shall give bond with one or more sureties to the satisfaction of the said collector, in a sum equal to what would be the amount of the duties on the said articles if imported subject to duty, with condition that in a certain time therein to be specified, not exceeding one year, a like oath as above directed shall be made by the said owner, and if not made before the said collector, shall be produced to him duly authenticated; whereupon a permit shall and may be granted for landing the said articles. And a copy of every such entry, and of the oath endorsed thereupon, shall be transmitted to the Secretary of the Treasury for his information.

And whereas by the letter of the act, entitled "An act for laying a duty on goods, wares, and merchandises imported into the United States," articles of the growth or manufacture of the United States, exported to foreign countries, and brought back to the United States, are subject to duty on their importation into the said States; and whereas it was not the intention of Congress that they should be so subject to duty:

Sec. 24. *Be it therefore further enacted*, That in every case in which a duty may have been heretofore paid on goods, wares, or merchandises of the growth or manufacture of the United States, exported to a foreign country, and brought back to the said States, the amount thereof shall be repaid to the person or persons by whom the same shall have been paid, or to his, her, or their representatives; and that in every case in which such duty may have accrued, but may not have been paid, the same be remitted, and that no such duty shall hereafter be demanded. *Provided*, That the regulations hereinafter prescribed for ascertaining the identity of such goods, wares, or merchandise, be observed and complied with, and that as well in respect to those heretofore imported, as far as may be practicable, as to those hereafter to be imported.

And also to ascertain the identity of articles of the growth, product, or manufacture of the United States, which having been exported to

any foreign port or place, shall be brought back to the said States:

Sec 25. *Be it further enacted*, That report and entry thereof shall be made as in other cases of goods, wares, or merchandise imported from a foreign port or place, and proof by oath of the person or persons having knowledge of the facts, shall be made to the satisfaction of the collector of the district, with whom such entry shall be jointly with the naval officer, if there be a naval officer, or alone if there be no naval officer, that the said articles had been exported from the United States, as of their growth, product, or manufacture, and of the time when, by whom, in what ship or vessel, and for what port or place they were so exported; and if the said collector shall be other than the collector of the district from which the said articles shall have been exported, a certificate of the latter shall be produced to the former, testifying the exportation thereof in conformity to the proof aforesaid: whereupon a permit shall and may be granted for landing the same. *Provided*, That if the said certificate cannot be immediately produced, and if the proof otherwise required shall be made, and if bond shall be given, with one or more sureties to the satisfaction of the collector of the district within which the said articles are intended to be landed, in a sum equal to what the duties would be on the said articles, if they were not of the growth, product, or manufacture of the United States; with condition that the said certificate shall be produced within the term of four months, it shall be lawful for the said collector to grant a permit for the landing of the said articles, in like manner as if the said certificate had been produced.

Sec 26. *And be it further enacted*, That the oaths to be taken upon making of any of the reports or entries aforesaid, whether by the master or other person having the charge or command of any ship or vessel, or of the owner or consignee of any goods, wares, or merchandise, his or her factor or agent, shall be administered by the collector or officer to whom report or entry shall be made, and where there shall be a naval officer, in the presence of such naval officer, who shall attend for that purpose, and shall be reduced to writing, and shall be subscribed by the person administering the same, and by the said naval officer, if any shall be present: and the said collector, jointly with the said naval officer, where there is a naval officer, or alone where there is none, shall, according to the best of his or their judgment or information, make a gross estimate of the amount of the duties on the goods, wares, or merchandise to which the entry of any owner or consignee, his or her factor or agent shall relate, which estimate shall be endorsed upon such entry, and signed by the officer or officers making the same. And the amount of the said duties according to the said estimate, having been first paid or secured, pursuant to the provisions of this act, the said collector shall grant a permit to land the goods, wares, or merchandise,

whereof such entry shall have been made, and then and not otherwise it shall be lawful to land the said goods.

Sec. 27. *And be it further enacted*, That no goods, wares, or merchandise brought in any ship or vessel from any foreign port or place, shall be unladen or delivered from such ship or vessel, within the United States, but in open day; that is to say, between the rising and setting of the sun, except by special license from the chief officer of the port for that purpose, nor at any time without a permit from the collector for such unloading or delivery; and if any goods, wares, or merchandise shall be unladen or delivered from any such ship or vessel, contrary to the direction aforesaid, or any of them, the master or person having the command or charge of such ship or vessel, and every other person who shall knowingly be concerned or aiding therein, or in removing, storing, or otherwise securing the said goods, wares, or merchandise, shall forfeit and pay the sum of four hundred dollars for each offence; and shall be disabled from holding any office of trust or profit under the United States, for a term not exceeding seven years; and it shall be the duty of the collector of the district, to advertise the names of all such persons in a newspaper, printed in the State in which he resides, within twenty days after each respective conviction. And all goods, wares, or merchandise so unladen or delivered, shall become forfeited, and may be seized by any of the officers of the customs; and where the value thereof, according to the highest market price of the same, shall amount to four hundred dollars, the vessel, tackle, apparel, and furniture shall be subject to like seizure and forfeiture.

Sec. 28. *And be it further enacted*, That no goods, wares, or merchandise brought in any ship or vessel from any foreign port or place, requiring to be weighed or gauged in order to ascertain the duties thereupon, shall be removed from any wharf or place upon which the same may be landed or put, before the same shall have been weighed or gauged, by or under the direction of a proper officer for that purpose; and if any such goods, wares, or merchandise shall be removed from such wharf or place, unless with consent of the proper officer, before the same shall have been so weighed or gauged, the same shall be forfeited, and may be seized by any officer of the customs.

Sec. 29. *And be it further enacted*, That all goods, wares, or merchandise of which entry shall have been made, without specification of particulars, shall be conveyed to some warehouse or storehouse, to be designated by the collector, in the parcel or packages containing the same, under the care of some proper officer, until the particulars thereof shall be examined and ascertained, agreeably to which the duties thereupon shall be finally adjusted and satisfied. And in every case, if the amount of the duties estimated, or secured to be paid, shall exceed or fall short of the true amount of the duties on

the goods, wares, or merchandise imported, as the same shall be finally ascertained, the difference shall be made good, or allowed where there shall be an excess, by return of the money, if paid, or credit on the bond which shall have been given for the same, if not paid; and where there shall be a deficiency, by payment of such deficiency to the said collector.

Sec. 30. *And be it further enacted*, That it shall be lawful for the collector of any district at which any ship or vessel may arrive, and for the surveyor of any port where any such ship or vessel may be, to put and keep on board such ship or vessel, while remaining within such district, or in going from one district to another, one or more inspectors to examine the cargo or contents of such ship or vessel, and to superintend the delivery thereof, or of so much thereof as shall be delivered within the United States, and to perform such other duties according to law, as they shall be directed by the said collector or surveyor to perform for the better securing the collection of the duties. *Provided*, That collectors only shall have power to put on board ships or vessels, inspectors to go from one district to another. And the said inspector or inspectors shall make known to the person having the charge or command of such ship or vessel, the duties he or they is or are so to perform; and shall suffer no goods, wares, or merchandise to be landed or unladen from such ship or vessel, without a proper permit for that purpose; and shall enter in a book to be by him or each of them kept, the name or names of the person or persons in whose behalf such permit was granted, together with the particulars therein specified, and the marks, numbers, kinds, and descriptions of the respective packages which shall be unladen pursuant thereto. And the wages or compensation of such inspector or inspectors in going from one district to another, shall be defrayed by the master or person having the charge of the vessel in which they respectively go.

Sec. 31. *And be it further enacted*, That it shall be lawful for all collectors, naval officers, surveyors, inspectors, and the officers of the revenue cutters hereinafter mentioned, to go on board of ships or vessels in any part of the United States, or within four leagues of the coast thereof, if bound to the United States, whether in or out of their respective districts, for the purposes of demanding the manifests aforesaid, and of examining and searching the said ships or vessels; and the said officers respectively shall have free access to the cabin, and every other part of a ship or vessel; and if any box, trunk, chest, cask, or other package, shall be found in the cabin, steerage, or forecabin of such ship or vessel, or in any other place separate from the residue of the cargo, it shall be the duty of the said officer to take a particular account of every such box, trunk, cask, or package, and the marks, if any there be, and a description thereof; and if he shall judge proper, to put a seal or seals on every such box,

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chest, trunk, cask, or package; and such account and description shall be by him forwarded to the collector of the district to which such ship or vessel is bound. And if upon her arrival at the port of her entry, the boxes, trunks, chests, casks, or packages so described, or any of them shall be missing, or if the seals put thereon be broken, the master or commander of such ship or vessel shall forfeit and pay for every such box, trunk, chest, cask, or package so missing, or of which the seals shall be broken, two hundred dollars. And it shall also be lawful for the inspectors who may be put on board of any ship or vessel, to secure after sunset in each evening, the hatches and other communications with the hold of such ship or vessel, with locks or other proper fastenings, which fastenings shall not be opened, broken, or removed until the morning following, or after the rising of the sun, and in presence of the inspector or inspectors by whom the same shall have been affixed, except by special license from the chief officer of the port. And if the said locks or other fastenings, or any of them, shall be broken or removed during the night, or before the said rising of the sun, or without the presence of the said inspector or inspectors, the master or person having the charge or command of such ship or vessel shall forfeit and pay the sum of \$200.

Sec. 32. *And be it further enacted*, That when the delivery of goods, wares, or merchandise from on board of any such ship or vessel at any port shall have been completed, the accounts or entries which shall have been kept or made thereof by the officer or officers who shall have been charged with superintending the said deliveries, shall be reported to the collector of the district, who, together with the naval officer, where there is one, or alone, where there is none, shall compare the said accounts and entries with the entry or entries which shall have been made by the owner or owners, consignee or consignees, his, her, or their factor or agent. And if any difference shall appear, the same shall be noted by endorsement on such entry or entries, specifying the particulars thereof; and if no difference shall appear, it shall be noted by like endorsement, that the deliveries have corresponded with the entry; which endorsement or memorandum shall in each case be subscribed by the officer or officers by whom such comparison shall have been made, and by the officer or officers under whose inspection the said deliveries shall have been executed.

Sec. 33. *And be it further enacted*, That if at the expiration of fifteen working days after the time within which the report of the master or person having the charge or command of any ship or vessel is required to be made to the collector of a district as aforesaid, there shall be found on board any goods, wares, or merchandise, other than shall have been reported for some other district or a foreign port or place, the said inspector or inspectors shall take possession thereof, and deliver the same to the or-

der of the collector of the district, taking his receipt therefor, and giving a certificate thereof to the master or person having such charge or command of such ship or vessel, describing the packages and their marks and numbers. And the said goods shall be kept with due and reasonable care at the charge and risk of the owner or owners for a term of nine months; and if within that time no claim be made for the same, the said collector shall procure an appraisalment thereof by two or more reputable merchants, to be certified under their hands, and to remain with him, and shall afterwards cause the said goods to be sold at public auction, and retaining the duties and charges thereon, shall pay the overplus, if any there be, into the Treasury of the United States, there to remain for the use of the owner or owners, who shall upon due proof of his, her, or their property, be entitled to receive the same; and the receipt or certificate of the collector shall exonerate the master or commander from all claim of the owner. *Provided*, That where any entry shall have been duly made of such goods, the same shall not be appraised; and that where such goods are of a perishable nature, they shall be sold forthwith. *Provided further*, That the said limitation of fifteen days shall not extend to ships or vessels laden with salt or coal; but if the said master or owner of any such ship or vessel requires longer time to discharge her cargo, the wages or compensation of the inspector for every day's attendance exceeding the said fifteen days, shall be paid by the said master or owner. And if by reason of the delivery of a cargo in different districts, more than the said term of fifteen working days shall in the whole be spent therein, the wages or compensation of the inspector or inspectors who may be employed on board any ship or vessel, in respect to which the said term may be so exceeded, shall for every day of such excess be paid by the said master or owner.

Sec. 34. *And be it further enacted*, That if any package whatever, which shall have been reported as aforesaid, shall be wanting and not found on board such ship or vessel, or if the goods on board the said ship or vessel shall otherwise not agree with the report of the master or other person having the charge or command of any such ship or vessel; in every such case he shall forfeit and pay the sum of five hundred dollars. *Provided, nevertheless*, That if it shall be made to appear to the satisfaction of the collector, naval officer, and surveyor, or the major part of them, where those officers are established at any port, or to the satisfaction of the collector alone where either of the said other officers is not established, or in case of trial for the said penalty, to the satisfaction of the court, that no part of the cargo of such ship or vessel has been unshipped since it was taken on board, except as shall have been specified in the said report, or that the said disagreement is by accident or mistake; in such case the penalty aforesaid shall not be inflicted.



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Sec. 35. *And be it further enacted*, That the following allowances shall be made for the draughts and tare of the articles subject to duty by weight, that is to say: for draught on any quantity of one hundred weight, or one hundred and twelve pounds, or under, one pound; on any quantity above one, and not exceeding two hundred weight, two pounds; on any quantity above two, and not exceeding three hundred weight, three pounds; on any quantity above three, and not exceeding ten hundred weight, four pounds; on any quantity above ten, and not exceeding eighteen hundred weight, seven pounds; on any quantity above eighteen hundred weight, nine pounds: for tare, on every whole chest of bohea tea, seventy pounds; on every half-chest, thirty-six pounds; on every quarter-chest, twenty pounds; on every chest of hyson, or other green tea, the gross weight of which shall be seventy pounds or upwards, twenty pounds; on every box of other tea, not less than fifty, or more than seventy pounds gross, eighteen pounds; on all other boxes of tea, according to the invoice thereof; on coffee in bags, two per cent., in bales, three per cent., in casks, twelve per cent.; on pepper in bales, five per cent., in casks, twelve per cent., on sugars, other than loaf sugar, in casks, twelve per cent., in boxes, fifteen per cent.; on all other goods, according to the invoice thereof. *Provided always*, That where the original invoices of any of the said articles are produced, and the tare or tares appear therein, it shall be lawful, with the consent of the importer or importers, consignee or consignees, to estimate the said tare or tares according to such invoice.

Sec. 36. *And be it further enacted*, That there shall be an allowance for leakage of two per cent. on the quantity which shall appear by the gauge to be contained in any cask of liquors subject to duty by the gallon.

Sec. 37. *And be it further enacted*, That if any goods, wares, or merchandise, on which duties are payable, shall receive damage during the voyage, or shall not be accompanied with the original invoice of their cost, it shall be lawful for the collector (and upon the request of the party he is required) to appoint one merchant, and the owner or consignee to appoint another, who being sworn or affirmed by the collector, well and truly to appraise such goods, shall appraise or value them accordingly, and the duties upon such goods shall be estimated agreeably to such appraisal or valuation. And in respect to such damaged articles as are charged with a specific duty, by number, weight, or measure, the said appraisers shall certify what in their judgment would have been their value, in case they had not been so damaged, and there shall be an abatement in the duty in proportion to the difference in value. *Provided*, That if the owner or owners, consignee or consignees of such goods not accompanied with an original invoice, shall choose to wait the receipt thereof, in such case the said collector shall take into his custody the said goods,

and shall keep or cause the same to be kept with due and reasonable care, at the expense and risk of the party or parties, until the said invoice shall arrive, or until the said party or parties shall consent to the valuation thereof.

Sec. 38. *And be it further enacted*, That if any ship or vessel from any foreign port or place, compelled by distress of weather or other necessity, shall put into any port or place of the United States, not being destined for the same; and if the master or person having charge or command of such ship or vessel, together with the mate or person next in command, shall, within twenty-four hours after her arrival, make protest in the usual form upon oath before a notary public, or other person duly authorized, or before the collector of the district where the said ship or vessel shall so arrive, who is hereby empowered to administer the same, setting forth the cause and circumstances of such distress or necessity, and shall within forty-eight hours after such arrival, make report to the said collector, of the said ship or vessel and her cargo as in other cases. And if it shall be made appear to the said collector, by the certificate of the wardens of the port, or other officers usually charged with, and accustomed to ascertaining the condition of ships and vessels arriving in distress, if any such there be, or by the certificate of any two reputable merchants, to be named for that purpose by the said collector, if no such wardens or other officers there be, that there is a necessity for unloading the said ship or vessel, the said collector shall grant a permit for that purpose, and shall appoint an inspector or inspectors to oversee such unloading. And all goods so unladen shall be stored under the direction of the said collector; who, upon request of the master or other person having charge or command of such ship or vessel, or of the owner thereof, shall grant a license to dispose of such part of the said cargo as may be of a perishable nature (if any there be) or as may be necessary to defray the expenses attending such ship or vessel, and her cargo. *Provided*, That the duties thereupon be first paid. And the said goods, or the remainder thereof, may afterwards be reladen on board the said ship or vessel, and the said ship or vessel may proceed with the same to the place of her destination, free from any other charge than for the storing and safe-keeping of the said goods.

Sec. 39. *And be it further enacted*, That the *ad valorem* rates of duty upon goods, wares, and merchandise at the place of importation, shall be estimated by adding twenty per cent. to the actual cost thereof, if imported from the Cape of Good Hope, or from any place beyond the same; and ten per cent. on the actual cost thereof, if imported from any other place or country, exclusive of charges.

Sec. 40. *And be it further enacted*, That all foreign coins and currencies shall be estimated according to the following rates: each pound sterling of Great Britain, at four dollars and forty-four cents; each livre tournois of France at

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eighteen cents and a half; each florin or guilder of the United Netherlands, at thirty-nine cents; each mark banco of Hamburg, at thirty-three cents and one-third; each rix dollar of Denmark, at one hundred cents; each rial of plate of Spain, at ten cents; each milree of Portugal, at one dollar and twenty-four cents; each pound sterling of Ireland, at four dollars ten cents; each tale of China, at one dollar forty-eight cents; each pagoda of India, at one dollar ninety-four cents; each rupee of Bengal, at fifty-five cents and a half; and all other denominations of money in value near as may be to the said rates.

*Sec. 41. And be it further enacted,* That all duties on goods, wares, and merchandise imported, shall be paid, or secured to be paid, before a permit shall be granted for landing the same. And where the amount thereof on goods imported in any ship or vessel, on account of one person only, or of several persons jointly interested, shall not exceed fifty dollars, the same shall be immediately paid; but where the said amount shall exceed fifty dollars, the same may, at the option of the proprietor or proprietors, consignee or consignees, be either immediately paid or secured by bond, with condition for the payment thereof, if accruing upon articles of the produce of the West Indies, in four months; if accruing on Madeira wines, in twelve months; if accruing upon any other goods, wares, or merchandise, other than teas imported from China, in six months; which bond, at the like option of the said proprietor or proprietors, consignee or consignees, shall either include one or more sureties, to the satisfaction of the collector of the district where the said duties shall accrue, or shall be accompanied with a deposit in the custody of the said collector, of so much of the said goods, as shall in his judgment be a sufficient security for the amount of the duties for which such bond shall have been given, and the charge of safe-keeping and sale of the goods so deposited; which deposit shall and may be accepted in lieu of the said surety or sureties, and shall be kept by the said collector, with due and reasonable care, at the expense and risk of the party or parties on whose account the same shall have been made, until the sum specified in such bond shall have become due, at which time if such sum shall not be paid, so much of the said deposited goods as may be necessary, shall be sold at public sale, and the proceeds thereof, after deducting the charges of keeping and sale, shall be applied to the payment of such sum, rendering the overplus and the residue of the said goods, if any there be, to the person or persons by whom such deposit shall have been made, or to his, her, or their representatives. *Provided,* That no person whose bond for the payment of duties is due and unsatisfied, shall be allowed a future credit for duties, until such bond shall be fully paid or discharged.

*Sec. 42. Provided always, and be it further enacted,* That all teas imported from China

may, at the option of the proprietor or consignee thereof, be deposited in the custody of the collector with whom the same shall be entered, or the duties thereon secured by bond, with one or more sureties, to the satisfaction of the collector, with condition for the payment of such duties within twelve months; and in case of depositing such teas, they shall be kept at the charge of the person or persons depositing the same. And the collector shall deliver such teas, or part thereof, from time to time, to the person or persons depositing the same, or to his or their order, on payment of the duties for such part as may be so delivered, and not otherwise; and in case the whole of the duties shall not be paid within eighteen months from the time of the entry made, it shall be the duty of the said collector to sell at public auction so much of the said teas as shall be sufficient to pay the duties then due, together with the charges of sale and safe-keeping, and to return the overplus to the person or persons who shall have deposited such teas, or his, her, or their representatives; and for such teas as have been imported from China in the present year, the owner or consignee thereof shall be entitled to deposit the same, or to give bond, payable in like manner, and under like regulations, as are herein before directed for teas which shall hereafter be imported, notwithstanding the duties on such teas may have been already secured to be paid.

*Sec. 43. And be it further enacted,* That the duties imposed by law on the tonnage of any ship or vessel, shall be paid to the collector by the master or person having the charge or command of such ship or vessel, within ten days after his report to the said collector; and before such ship or vessel shall be permitted to clear out; the register of which ship or vessel shall at the time of entry be lodged in the office of the collector, and there remain until such clearance. And if any ship or vessel shall leave, or attempt to leave any district of the United States, without paying the said duties, the master or person having the charge or command of the same shall forfeit and pay five hundred dollars.

*Sec. 44. And be it further enacted,* That to ascertain the tonnage of any ship or vessel, the surveyor or such other person as shall be appointed by the collector of the district to measure the same, shall, if the said ship or vessel be double decked, take the length thereof from the fore part of the main stem to the after part of the stern post above the upper deck; the breadth thereof at the broadest part above the main wales, half of which breadth shall be accounted the depth of such vessel, and shall then deduct from the length three-fifths of the breadth, multiply the remainder by the breadth, and the product by the depth, and shall divide this last product by ninety-five, the quotient whereof shall be deemed the true contents or tonnage of such ship or vessel. And if such ship or vessel be single decked, the said surveyor or other person shall take the length and

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breadth as above directed, in respect to a double decked ship or vessel, shall deduct from the said length three-fifths of the breadth, and taking the depth from the under side of the deck plank to the ceiling of the hold, shall multiply and divide as aforesaid, and the quotient shall be deemed the tonnage of such ship or vessel.

Sec. 45. *And be it further enacted*, That where any bond for the payment of duties shall not be satisfied on the day it becomes due, the collector shall forthwith cause a prosecution to be commenced for the recovery of the money thereon, by action or suit at law, in the proper court having cognizance thereof; and in all cases of insolvency, or where any estate in the hands of executors or administrators shall be insufficient to pay all the debts due from the deceased, the debt due to the United States, on any such bond, shall be first satisfied.

Sec. 46. *And be it further enacted*, That if any goods, wares, and merchandise, of which entry shall have been made in the office of a collector, shall not be invoiced according to the actual cost thereof at the place of exportation, with design to evade the duties thereupon, or any part thereof, all such goods, wares, or merchandise, or the value thereof, to be recovered of the person making entry, shall be forfeited. And in every case in which the said collector shall suspect that any such goods, wares, or merchandise are not invoiced at a sum equal to that for which they have usually been sold in the place or country from whence they were imported, it shall be the duty of such collector to take the said goods, wares, and merchandise into his possession, and retain the same with reasonable care, at the risk and expense of the owner or owners, consignee or consignees thereof, until their value at the time and place of importation shall be ascertained by two reputable merchants, to be chosen and appointed as in the case of damaged goods, or goods not accompanied with an invoice; and until the duties arising according to such valuation shall be first paid, or secured to be paid, as required by this act in other cases of importation. *Provided*, That in case of a prosecution for the forfeiture aforesaid, such appraisement shall not be construed to exclude other proof upon the trial, of the actual and real cost of the said goods at the said place of exportation.

Sec. 47. *And be it further enacted*, That it shall be lawful for the collector or other officer of the customs, after entry made of any goods, wares, or merchandise, on suspicion of fraud, to open and examine in the presence of two or more reputable merchants, any package or packages thereof; and if on examination they should be found to agree with the entries, the officer making such seizure shall cause the same to be repacked, and delivered to the owner or claimant forthwith; and the expense of such examination shall be paid by the said collector or other officer, and allowed in the settlement of his accounts; but if any of the packages so ex-

amined shall be found to differ in their contents from the entry, then the goods, wares, or merchandise contained in such package or packages shall be forfeited. *Provided*, That the said forfeiture shall not be incurred, if it shall be made appear to the satisfaction of the collector and naval officer of the district where the same shall happen, if there be a naval officer, and if there be no naval officer, to the satisfaction of the said collector; or of the court in which a prosecution for the forfeiture shall be had, that such difference proceeded from accident or mistake, and not from an intention to defraud the revenue.

Sec. 48. *And be it further enacted*, That every collector, naval officer, and surveyor, or other person specially appointed by either of them for that purpose, shall have full power and authority to enter any ship or vessel in which they shall have reason to suspect any goods, wares, or merchandise subject to duty shall be concealed; and therein to search for, seize, and secure any such goods, wares, or merchandise. And if they shall have cause to suspect a concealment thereof in any particular dwelling-house, store, building, or other place, they or either of them shall, upon application on oath to any justice of the peace, be entitled to a warrant to enter such house, store, or other place, (in the day time only,) and there to search for such goods, and if any shall be found to seize, and secure the same for trial; and all such goods, wares, and merchandise, on which the duties shall not have been paid or secured, shall be forfeited.

Sec. 49. *And be it further enacted*, That all goods, wares, and merchandise which shall be seized by virtue of this act, shall be put into and remain in the custody of the collector or such other person as he shall appoint for that purpose, until such proceedings shall be had as by this act are required; to ascertain whether the same have been forfeited or not; and if it shall be adjudged that they are not forfeited, they shall be forthwith restored to the owner or owners, claimant or claimants thereof. And if any person or persons shall conceal or buy any goods, wares, or merchandise, knowing them to be liable to seizure by this act, such person or persons shall, on conviction thereof, forfeit and pay a sum double the value of the goods so concealed or purchased.

Sec. 50. *And be it further enacted*, That it shall be the duty of the several officers of the customs to make seizure of, and secure any ship or vessel, goods, wares, or merchandise, which shall be liable to seizure by virtue of this act, as well without as within their respective districts.

Sec. 51. *And be it further enacted*, That if any officer or other person, executing or aiding and assisting in the seizure of goods, shall be sued or molested for any thing done in virtue of the powers given by this act, or by virtue of a warrant granted by any judge or justice pursuant to law, such officer or other person may

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plead the general issue, and give this act and the special matter in evidence; and if in such suit the plaintiff be non-suited, or judgment pass against him, the defendant shall recover double cost; and in actions, suits, or information to be brought, where any seizure shall be made pursuant to this act, if the property be claimed by any person, in every such case the *onus probandi* shall be upon such claimant. And if any person shall forcibly resist, prevent, or impede any officers of the customs or their deputies, or any person assisting them in the execution of their duty, such person so offending shall for every offence be fined in a sum not exceeding four hundred dollars.

Sec. 52. *And be it further enacted*, That every collector, naval officer, and surveyor shall, within three months after he enters upon the execution of his office, give bond with one or more sufficient sureties, to be approved of by the Comptroller of the Treasury of the United States, and payable to the said United States, with condition for the true and faithful discharge of the duties of his office according to law, that is to say: the collector of Philadelphia, in the sum of sixty thousand dollars; the collector of New York, fifty thousand dollars; the collector of Boston and Charlestown, forty thousand dollars; the collectors of Baltimore and Charleston, thirty thousand dollars each; the collector of Norfolk and Portsmouth, fifteen thousand dollars; the collectors of Portsmouth, in New Hampshire, of Salem and Beverly, Wilmington, in the State of Delaware, Annapolis, Georgetown in Maryland, Bermuda hundred and City-point, Alexandria, Wilmington, Newbern and Edenton in the State of North Carolina, Newport and Providence in the State of Rhode Island and Providence Plantations, ten thousand dollars each; the collectors of Newburyport, Gloucester, Marblehead, Plymouth, Nantucket, Portland and Falmouth, New London, New Haven, Fairfield, Perth Amboy, Yorktown, Dumfries, Washington and Camden, Georgetown in South Carolina, Beaufort, and Savannah, each five thousand dollars; and all the other collectors in the sum of two thousand dollars each. The naval officers for the ports of Boston and Charlestown, New York, Philadelphia, Baltimore, and Charleston, ten thousand dollars each; and all the other naval officers in the sum of two thousand dollars each. The surveyors of the ports of Boston and Charlestown, New York, Philadelphia, Baltimore, and Charleston, five thousand dollars each; and all other surveyors one thousand dollars each. Which bonds shall be filed in the office of the said comptroller, and be by him severally put in suit for the benefit of the United States, upon any breach of the condition thereof. And as no provision has been heretofore specially made concerning the officers of the customs who may have been heretofore appointed in and for the States of North Carolina and Rhode Island and Providence Plantations; the said officers respectively shall, within four

months after the passing of this act, give bond with proper surety or sureties, in conformity to the provision aforesaid.

Sec. 53. *And be it further enacted*, That there shall be allowed and paid to the collectors, naval officers, and surveyors to be appointed pursuant to this act, the fees and per centage following, that is to say: to each collector for every entrance of any ship or vessel of one hundred tons' burden or upwards, two dollars and a half; for every clearance of any ship or vessel of one hundred tons' burthen and upwards, two dollars and a half; for every entrance of any ship or vessel under the burthen of one hundred tons, one dollar and a half; for every clearance of a ship or vessel under one hundred tons' burthen, one dollar and a half; for every permit to land goods, twenty cents; for every bond taken officially, forty cents; and for every permit to load goods for exportation, which are entitled to a drawback, thirty cents; for every official certificate, twenty cents; for every bill of health, twenty cents; for every other official document (registers excepted) required by the owner or master of any vessel not before enumerated, twenty cents; and where a naval officer is appointed to the same port, the said fees shall be equally divided between the collector and the said naval officer, the latter paying one-third of the expense of necessary stationery, and the rent of an office to be provided by the collector, at the place assigned for his residence, and as conveniently as may be for the trade of the district; and all fees shall, at the option of the collector, be either received by him or by the naval officer, the party receiving to account monthly with the other for his proportion or share thereof. To each surveyor for the admeasurement of every ship or vessel of one hundred tons and under, one cent per ton; for the admeasurement of every ship or vessel, above one hundred tons, and not exceeding two hundred tons, one hundred and fifty cents; for the admeasurement of every ship or vessel above two hundred tons, two hundred cents; for all other services by this act to be performed by such surveyor, on board any ship or vessel of one hundred tons and upwards, and having on board goods, wares, and merchandise subject to duty, three dollars; for the like services on board any ship or vessel of less than one hundred tons burthen, having on board goods, wares, and merchandise subject to duty, one dollar and a half; on all vessels not having on board goods, wares, and merchandise subject to duty, two-thirds of a dollar; all which fees shall be paid by the master or owner of the ship or vessel in which the said services shall be performed, to the surveyor by whom they shall be performed, if performed by one only for his sole benefit, but if performed by more than one, to him who shall have the first agency, to be divided in equal parts between him and the other or others by whom the said services shall be performed. To each inspector there shall be allowed for every day

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he shall be actually employed in aid of the customs, a sum not exceeding one dollar and twenty-five cents, to be paid by the collector out of the revenue, and charged to the United States. To the measurers, weighers, and gaugers respectively, to be paid by the collector out of the revenue for the measurement of every one hundred bushels of grain, thirty cents; for measurement of every one hundred bushels of salt, forty cents; for the measurement of every one hundred bushels of coal, fifty cents; for the weighing of every one hundred and twelve pounds, two cents; for the gauging and marking of every cask (to be marked in durable characters with his own name and the quantity) eight cents; for computing the contents of, and, if requested by the party, marking cases containing distilled spirits and wines, three cents per case; for counting the number of bottles of cider, beer, ale, or porter, one cent per doz., and in proportion for any greater or less quantity. There shall moreover be allowed to the collectors of the districts of New York and Philadelphia, three-fourths of one per cent. on the amount of all moneys by them respectively received on account of duties; and to the collector of each of the other districts by this act established, one per centum on the amount of all moneys by them respectively received on the said account of duties.

And whereas the allowances aforesaid will not afford an adequate compensation to the officers hereinafter mentioned, by reason of the small proportion of business done at the ports to which they respectively belong, although the said officers are necessary to the accommodation of the inhabitants, the facility of commerce, and the security of the revenue. Therefore,

Sec. 54. *Be it further enacted*, That in addition to the fees and emoluments which shall accrue to the said officers from the provisions aforesaid, they shall severally have and be entitled to the respective allowances following, to wit: the collector of the districts of Saint Mary's in the State of Georgia, Brunswick, Beaufort, South Quay, Cherrystone, Folly Landing, Annapolis, Yeocomico, Saint Mary's, Oxford, Sagg Harbour, Passamaquoddy, the yearly sum of one hundred dollars each. The collectors of the districts of Sunbury and Penobscot in Massachusetts, the yearly sum of sixty dollars each. The collectors of the districts of Hampton, Snowhill, Bridgetown, Burlington, Frenchman's Bay, and Edgartown, the yearly sum of fifty dollars each. The surveyors of the ports of Fredericksburg, Smithfield, Port Royal, Suffolk, West Point, Richmond, Petersburg, and Little Egg Harbor, the yearly sum of eighty dollars each. The surveyors of the ports of Swansborough, Urbanna, Town Creek, Albany, Hudson, Stonington, East Greenwich, and Gloucester, fifty dollars each.

Sec. 55. *And be it further enacted*, That every collector, naval officer, and surveyor shall cause to be affixed and constantly kept in some public and conspicuous place of his office,

a fair table of the rates of fees and duties demandable by law, and shall give a receipt for the fees he shall receive, specifying the particulars; and in case of failure therein, shall forfeit and pay one hundred dollars, to be recovered with costs, in any court having cognizance thereof, to the use of the informer; and if any officer of the customs shall demand or receive any greater or other fee, compensation or reward, for executing any duty or service required of him by law, he shall forfeit and pay two hundred dollars for each offence, recoverable in manner aforesaid for the use of the party aggrieved.

Sec. 56. *And be it further enacted*, That the duties and fees to be collected by virtue of this act, shall be payable in gold or silver coin, at the following rates, that is to say: the gold coins of France, England, Spain, and Portugal, and all other gold coins of equal fineness, at eighty-nine cents for every pennyweight; the Mexican dollar at one hundred cents; the crown of France at one dollar and eleven cents; the crown of England at one dollar and eleven cents; all silver coin of equal fineness at one dollar and eleven cents per ounce; and cut silver of equal fineness, at one dollar and six cents per ounce.

Sec. 57. *And be it further enacted*, That all the drawbacks allowed by law on the exportation of goods, wares, and merchandise imported, shall be paid or allowed by the collector at whose office the said goods, wares, and merchandise were originally entered, and not otherwise, retaining one per centum for the benefit of the United States. And that the allowances on dried and pickled fish of the fisheries of the United States, and on salted provisions of the United States, shall be paid by the collector of the district from which the same shall be exported, without any deduction or abatement.

Sec. 58. *Provided always, and be it further enacted*, That in order to entitle the exporter or exporters of any goods, wares, or merchandise to the benefit of the said drawbacks or allowances, he or she shall, previous to putting or lading the same on board any ship or vessel for exportation, give twenty-four hours' notice at least to the collector of the district from which the same are about to be exported, of his, her, or their intention to export the same, and of the particulars thereof, and of the casks, cases, chests, boxes, and other packages or parcels containing the same, or of which the same consist, and of their respective marks, numbers, and contents; and if imported articles, of the ship or ships, vessel or vessels in which the person or persons for or by whom, and the place or places from which they were imported. And in respect to the said imported articles proof shall be made to the satisfaction of the said collector, by the oaths of the person or persons (including the said exporter or exporters) through whose hands the said articles shall have passed, according to the best of their knowledge and belief, respecting the due importation

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of the said articles according to law, and in conformity to such notice of their identity, and of the payment or securing the payment of the duties thereupon. And in respect to the said dried and pickled fish and salted provisions, proof shall be made to the satisfaction of the said collector, according to the circumstances of the case, that the same, if fish, are of the fisheries of the United States; if salted provisions, were salted within the United States. And the said collector shall inspect or cause to be inspected, the goods, wares, or merchandise so notified for exportation; and if they shall be found to correspond with the notice and proof concerning the same, the said collector shall grant a permit for lading the same on board the ship or vessel named in such notice, which lading shall be performed under the superintendence of the officer by whom the same shall have been so inspected. And the said exporter or exporters shall also make oath that the said goods so noticed for exportation, and laden on board the said ship or vessel, are truly intended to be exported to the place whereof notice shall have been given, and are not intended to be reloaded within the United States, and shall give bond with one or more sureties to the satisfaction of the said collector, in a sum equal to the amount of the drawbacks or allowances on such goods, with condition that the said goods, or any part thereof, shall not be reloaded in any port or place within the limits of the United States, as settled by the late treaty of peace.

*And provided further.* That the said drawbacks or allowances shall not be paid until at least six months after the exportation of the said goods, and until the said exporter or exporters shall produce to the collector with whom such outward entry is made, a certificate in writing of two reputable merchants at the foreign port or place in which the same were landed, together with the oath of the master and mate of the vessel in which they were exported, certifying the delivery thereof. But in case any vessel shall be cast away, or meet with such unavoidable accidents as to prevent the landing such goods, a protest in due form of law, made by the master and mate, or some of the seamen, or in case no such protest can be had, then the oath of the exporter or exporters, or one of them, shall be received in lieu of the other proofs herein directed, unless there shall be good reason to suspect the truth of such oath, in which case it shall and may be lawful for the collector to require such further proof as the nature of the case may demand.

*Provided lastly,* That no goods, wares, or merchandise imported shall be entitled to a drawback of the duties paid or secured to be paid thereon, unless such duties shall amount to twenty dollars at least; nor unless they shall be exported in the same casks, cases, chests, boxes, or other packages, and from the district or port into which they were originally imported.

Sec. 59. *And be it further enacted,* That the

sums allowed to be paid by law on the exportation of dried or pickled fish, and of salted provisions, shall not be paid unless the same shall amount to three dollars at least upon one entry.

Sec. 60. *And be it further enacted,* That if any goods, wares, or merchandise, entered for exportation, with intent to draw back the duties, or to obtain any allowance given by law on the exportation thereof, shall be landed in any port or place within the limits of the United States as aforesaid, all such goods, wares, and merchandise shall be subject to seizure and forfeiture, together with the ship or vessel from which such goods shall be landed, and the vessels or boats used in landing the same; and all persons concerned therein shall, on indictment and conviction thereof, suffer imprisonment for a term not exceeding six months. And for discovery of frauds, and seizures of goods, wares, and merchandise, reloaded contrary to law, the several officers established by this act shall have the same powers, and in case of seizure the same proceedings shall be had as in case of goods, wares, and merchandise imported contrary to law; and for measuring, weighing, or gauging goods for exportation, the same fees shall be allowed as in like cases upon the importation thereof.

Sec. 61. *And be it further enacted,* That if any goods, the duties upon which shall have been secured by bond, shall be re-exported by the importer or importers thereof, and if the said bond shall become due before the expiration of the time hereinbefore limited for payment of the drawback upon such goods, it shall be lawful for the collector of the district from which the said goods shall have been exported, to give further credit for so much of the sum due upon such bond as shall be equal to the amount of the said drawback, until the expiration of the said time limited for payment thereof.

And the better to secure the collection of the said duties,

Sec. 62. *Be it further enacted,* That the President of the United States be empowered to cause to be built and equipped, so many boats or cutters, not exceeding ten, as may be necessary to be employed for the protection of the revenue, the expense whereof shall not exceed ten thousand dollars, which shall be paid out of the product of the duties on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels.

Sec. 63. *And be it further enacted,* That there shall be to each of the said boats or cutters, one master, and not more than three mates, first, second and third, four mariners and two boys; and that the compensations and allowances to the said officers, mariners, and boys respectively, shall be, to the master thirty dollars per month, and the subsistence of a captain in the army of the United States; to a first mate twenty dollars per month; to a second mate sixteen dollars per month; to a third mate



fourteen dollars per month; and to every mate the subsistence of a lieutenant in the said army; to each mariner eight dollars per month; to each boy four dollars per month; and to each mariner and boy the same ratio of provisions, which is or shall be allowed to a soldier in the said army. The said allowances for subsistence to be paid in provisions or money at the contract prices, at the option of the Secretary of the Treasury.

Sec. 64. *And be it further enacted,* That the officers of the said boats or cutters shall be appointed by the President of the United States, and shall respectively be deemed officers of the customs, and shall have power and authority to go on board of every ship or vessel which shall arrive within the United States, or within four leagues of the coast thereof, if bound for the United States, and to search and examine the same and every part thereof, and to demand, receive, and certify the manifests herein before required to be on board of certain ships or vessels, and to affix and put proper fastenings on the hatches and other communications with the holds of ships or vessels, and to remain on board the said ships or vessels until they arrive at their places of destination.

Sec. 65. *And be it further enacted,* That the collectors of the respective districts may, with the approbation of the Secretary of the Treasury, provide and employ such small open row and sail boats in each district, together with the requisite number of persons to serve in them, as shall be necessary for the use of the surveyors and inspectors in going on board of ship and vessels and otherwise, for the better detection of frauds; the expense of which shall be defrayed out of the product of duties.

Sec. 66. *And be it further enacted,* That if any officer of the customs shall directly or indirectly take or receive any bribe, reward, or recompense for conniving, or shall connive at any false entry of any ship or vessel, or of any goods, wares, or merchandise, and shall be thereof convicted, every such officer shall forfeit and pay a sum not less than two hundred, nor more than two thousand dollars for each offence; and any person giving or offering any bribe, recompense, or reward for any such deception, collusion, or fraud, shall forfeit and pay a sum not less than two hundred, nor more than two thousand dollars for each offence. And in all cases where an oath is by this act required from a master or other person having command of a ship or vessel, or from an owner or consignee of goods, wares, or merchandise, his or her factor or agent, if the person so swearing shall swear falsely, such person shall, on indictment and conviction thereof, be punished by fine or imprisonment or both, in the discretion of the court before whom the conviction shall be had, so as the fine shall not exceed one thousand dollars, and the term of imprisonment shall not exceed twelve months.

Sec. 67. *And be it further enacted,* That all penalties accruing by any breach of this act,

shall be sued for and recovered with costs of suit, in the name of the United States of America, in any court proper to try the same, and the trial of any fact which may be put in issue shall be within the judicial district in which any such penalty shall have accrued, and the collector, within whose district the seizure shall be made, is hereby authorized and directed to cause suits for the same to be commenced and prosecuted to effect, and to receive, distribute, and pay the sum or sums recovered, after first deducting all necessary costs and charges, according to law. And that all ships or vessels, goods, wares, or merchandise, which shall become forfeited by virtue of this act, shall be seized, labelled, and prosecuted as aforesaid, in the proper court having cognizance thereof; which court shall cause fourteen days' notice to be given of such seizure and libel, by causing the substance of such libel, with the order of the court thereon, setting forth the time and place appointed for trial, to be inserted in some newspaper, published near the place of seizure, and also by posting up the same in the most public manner for the space of fourteen days, at or near the place of trial, for which advertisement a sum not exceeding ten dollars shall be paid; and proclamation shall be made in such manner as the court shall direct; and if no person shall appear to claim such ship or vessel, goods, wares, or merchandise, the same shall be adjudged to be forfeited; but if any person shall appear before such judgment of forfeiture, and claim any such ship or vessel, goods, wares, or merchandise, and shall give bond to defend the prosecution thereof, and to respond the cost in case he shall not support his claim, the court shall proceed to hear and determine the cause according to law; and upon the prayer of any claimant to the court, that any ship or vessel, goods, wares, or merchandise so seized and prosecuted, or any part thereof should be delivered to such claimant, it shall be lawful for the court to appoint three proper persons to appraise such ship or vessel, goods, wares, or merchandise, who shall be sworn in open court for the faithful discharge of their duty; and such appraisal shall be made at the expense of the party on whose prayer it is granted; and on the return of such appraisal, if the claimant shall, with one or more sureties, to be approved of by the court, execute a bond in the usual form, to the United States, for the payment of a sum equal to the sum at which the ship or vessel, goods, wares, or merchandise, so prayed to be delivered, be appraised, the court shall, by rule, order such ship or vessel, goods, wares, or merchandise, to be delivered to the said claimant; and the said bond shall be lodged with the proper officer of the court; and if judgment shall pass in favor of the claimant, the court shall cause the said bond to be cancelled; but if judgment shall pass against the claimant, as to the whole or any part of such ship or vessel, goods, wares, or merchandise; and the claimant shall not

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within twenty days thereafter, pay into the court the amount of the appraised value of such ship or vessel, goods, wares, or merchandise so condemned, with the costs, the bond shall be put in suit. And when any prosecution shall be commenced on account of the seizure of any ship or vessel, goods, wares, or merchandise, and judgment shall be given for the claimant or claimants; if it shall appear to the court before whom such prosecution shall be tried, that there was a reasonable cause of seizure, the same court shall cause a proper certificate or entry to be made thereof, and in such case the claimant shall not be entitled to costs, nor shall the person who made the seizure, or the prosecutor be liable to action, suit, or judgment, on account of such seizure or prosecution. *Provided*, That the ship or vessel, goods, wares, or merchandise be, after judgment, forthwith returned to such claimant or claimants, his, her, or their agents. *And provided*, That no action or prosecution shall be maintained in any case under this act, unless the same shall have been commenced within three years next after the penalty or forfeiture was incurred.

Sec. 68. *And be it further enacted*, That all ships, vessels, goods, wares, or merchandise which shall be condemned by virtue of this act, shall be sold by the proper officer of the court in which such condemnation shall be had, to the highest bidder at public auction, by order of such court, and at such place as the court may appoint, giving at least fifteen days' notice (except in case of perishable goods) in one or more of the public newspapers of the place where such sale shall be, or if no paper is published in such place, in one or more of the papers published in the nearest place thereto, for which advertising a sum not exceeding five dollars shall be paid.

Sec. 69. *And be it further enacted*, That all penalties, fines, and forfeitures, recovered by virtue of this act, (and not otherwise appropriated,) shall, after deducting all proper costs and charges, be disposed of as follows: one moiety shall be for the use of the United States, and paid into the Treasury thereof; the other moiety shall be divided into equal parts, and paid to the collector and naval officer of the district, and surveyor of the port wherein the same shall have been incurred, or to such of the said officers as there may be in the said district; and in districts where only one of the aforesaid officers shall have been established, the said moiety shall be given to such officer. *Provided, nevertheless*, That in all cases where such penalties, fines, and forfeitures shall be recovered in pursuance of information given to such collector by any person other than the naval officer or surveyor of the district, the one half of such moiety shall be given to the informer, and the remainder thereof shall be disposed of between the collector, and naval officer, and surveyor or surveyors in manner aforesaid.

Sec. 70. *And be it further enacted*, That no goods, wares, or merchandise of foreign growth

or manufacture, subject to the payment of duties, shall be brought into the United States from any foreign port or place in any other manner than by sea, nor in any ship or vessel of less than thirty tons' burthen, except within the district of Louisville, nor shall be landed or unladen at any other place than is by this act directed, under the penalty of seizure and forfeiture of all such vessels, and of the goods, wares, or merchandise brought in, landed, or unladen in any other manner. And all goods, wares, or merchandise brought into the United States by land, contrary to this act, shall be forfeited, together with the carriages, horses, and oxen that shall be employed in conveying the same. *Provided*, That nothing herein shall be construed to extend to household furniture and clothing belonging to any person or persons actually removing into any part of the United States, for the purpose of becoming an inhabitant or inhabitants thereof.

Sec. 71. *And be it further enacted*, That all matters by this act directed to be done to or by the collector of a district shall and may be done to and by the person who in the cases specified in this act is or may be authorized to act in the place or stead of the said collector.

Sec. 72. *And be it further enacted*, That wherever an oath is required by this act, persons conscientiously scrupulous shall be permitted to affirm.

Sec. 73. *And be it further enacted*, That the master or person having the charge or command of a ship or vessel bound to a foreign port or place, shall deliver to the collector of the district from which such ship or vessel shall be about to depart, a manifest of the cargo on board the same, and shall make oath or affirmation to the truth thereof, whereupon the said collector shall grant a clearance for the said ship or vessel, and her cargo, but without specifying the particulars thereof, unless required by the said master or person having said charge or command. And if any ship or vessel bound to a foreign port or place, shall depart on her voyage to such foreign port or place without such clearance, the said master or person having the said charge or command shall forfeit and pay the sum of two hundred dollars for such offence.

Sec. 74. *And be it further enacted*, That after the first day of October next, the act entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandises imported into the United States," and also all other acts or parts of acts coming within the purview of this act, shall be repealed, and thenceforth cease to operate, except as to the continuance of the officers appointed in pursuance of the said act; except also as to the recovery and receipt of such duties on goods, wares, and merchandise, and on the tonnage of ships or vessels, as shall have accrued, and as to the payment of drawbacks and allowances in lieu thereof, upon the exportation of goods,

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wares, or merchandise which shall have been imported, and as to the recovery and distribution of fines, penalties, and forfeitures which shall have been incurred before or upon the said day, subject, nevertheless, to the alterations contained and expressed in this present act.

And whereas by the act entitled "An act to regulate the collection of the duties imposed by law on the tonnage of ships or vessels, and on goods, wares, and merchandise imported into the United States," it was declared that the ruble of Russia should be rated at one hundred cents, and by the act entitled "An act to explain and amend an act entitled 'An act for registering and clearing vessels, regulating the coasting trade, and for other purposes,'" that part of the said first mentioned act which so rated the ruble of Russia was repealed and made null and void; and whereas it is doubted whether the said repeal can operate with respect to duties incurred prior thereto, as was intended by Congress:

Sec. 75. *Therefore be it enacted and declared,* That the said repeal shall be deemed to operate in respect to all duties which may have arisen or accrued prior thereto.

Approved, August 4th, 1790.

An Act to continue in force, for a limited time, an act entitled "An act for the temporary establishment of the Post-office."

*Be it enacted, &c.,* That the act passed the last session of Congress, entitled "An act for the temporary establishment of the Post-office," be, and the same hereby is, continued in force until the end of next session of Congress, and no longer.

An Act to provide more effectually for the settlement of the accounts between the United States and individual States.

*Be it enacted, &c.,* That a board, to consist of three commissioners be, and hereby is, established to settle the accounts between the United States and the individual States; and the determination of a majority of the said commissioners on the claims submitted to them shall be final and conclusive; and they shall have power to employ such number of clerks as they may find necessary.

Sec. 2. *And be it further enacted,* That the said commissioners shall respectively take an oath or affirmation before the Chief Justice of the United States, or one of the associate or district judges, that they will faithfully and impartially execute the duties of their office. And they shall each of them be entitled to receive at the rate of two thousand two hundred and fifty dollars per annum, payable quarterly at the Treasury of the United States for their respective services.

Sec. 3. *And be it further enacted,* That it shall be the duty of the said commissioners to receive and examine all claims which shall be exhibited to them before the first day of July,

one thousand seven hundred and ninety-one, and to determine on all such as shall have accrued for the general or particular defence during the war, and on evidence thereof, according to the principles of general equity (although such claims may not be sanctioned by the resolves of Congress, or supported by regular vouchers) so as to provide for the final settlement of all accounts between the United States and the States individually; but no evidence of a claim heretofore admitted by a commissioner of the United States for any State or District shall be subject to such examination; nor shall the claim of any citizen be admitted as a charge against the United States in the account of any State, unless the same was allowed by such State before the twenty-fourth day of September, one thousand seven hundred and eighty-eight.

Sec. 4. *And be it further enacted,* That it shall be the duty of the said commissioners to examine and liquidate to specie value, on principles of equity, the credits and debits of the States already on the books of the Treasury for bills of credit subsequent to the eighteenth of March, one thousand seven hundred and eighty.

Sec. 5. *And be it further enacted,* That the commissioners shall debit each State with all advances which have been, or may be, made to it by the United States, and with the interest thereon to the last day of the year one thousand seven hundred and eighty-nine, and shall credit each State for its disbursements and advances on the principles contained in the third section of this act, with interest to the day aforesaid, and having struck the balance due to each State, shall find the aggregate of all the balances, which aggregate shall be apportioned between the States agreeably to the rule hereinafter given; and the difference between such apportionments and the respective balances shall be carried in a new account to the debit or credit of the States respectively, as the case may be.

Sec. 6. *And be it further enacted,* That the rule for apportioning to the States the aggregate of the balances first above mentioned, shall be the same that is prescribed by the Constitution of the United States for the apportionment of representation and direct taxes, and according to the first enumeration which shall be made.

Sec. 7. *And be it further enacted,* That the States who shall have balances placed to their credit on the books of the Treasury of the United States, shall, within twelve months after the same shall have been so accredited, be entitled to have the same funded upon the same terms with the other part of the domestic debt of the United States; but the balances so credited to any State shall not be transferable.

Sec. 8. *And be it further enacted,* That the clerks employed, or to be employed by the said commissioners, shall receive like salaries as clerks employed in the Treasury Department.

Sec. 9. *And be it further enacted,* That the powers of the said commissioners shall continue until the first day of July, one thousand seven

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hundred and ninety-two, unless the business shall be sooner accomplished.

Approved, August 5, 1790.

An Act making further provision for the payment of the debts of the United States.

Whereas, by an act, entitled "An act for laying a duty on goods, wares, and merchandises imported into the United States," divers duties were laid on goods, wares, and merchandise so imported, for the discharge of the debts of the United States, and the encouragement and protection of manufactures. And whereas the support of government and the discharge of the said debts render it necessary to increase the said duties:

*Be it enacted, &c.*, That from and after the last day of December next, the duties specified and laid in and by the act aforesaid, shall cease and determine; and that upon all goods, wares, and merchandise (not herein particularly excepted) which after the said day shall be brought into the United States, from any foreign port or place, there shall be levied, collected, and paid the several and respective duties following, that is to say: Madeira wine of the quality of London particular, per gallon, thirty-five cents; other Madeira wine, per gallon, thirty cents; Sherry wine, per gallon, twenty-five cents; other wine, per gallon, twenty cents; distilled spirits, if more than ten per cent. below proof, according to Dycas's hydrometer, per gallon, twelve cents; if more than five, and not more than ten per cent. below proof, according to the same hydrometer, per gallon, twelve and a half cents; if of proof, and not more than five per cent. below proof, according to the same hydrometer, per gallon, thirteen cents; if above proof, but not exceeding twenty per cent. according to the same hydrometer, per gallon, fifteen cents; if of more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, per gallon, twenty cents; if of more than forty per cent. above proof, according to the same hydrometer, per gallon, twenty-five cents; molasses, per gallon, three cents; beer, ale, and porter in casks, per gallon, five cents; beer, ale, and porter, in bottles, per dozen, twenty cents. Teas from China and India, in ships or vessels of the United States, bohea per pound, ten cents; souchong and other black teas, per pound, eighteen cents; hyson, per pound, thirty-two cents; other green teas, per pound, twenty cents; teas from Europe, in ships or vessels of the United States, bohea, per pound, twelve cents; souchong and other black teas, per pound, twenty-one cents; hyson, per pound, forty cents; other green teas, per pound, twenty-four cents; teas from any other place, or in any other ships or vessels, bohea, per pound, fifteen cents; souchong and other black teas, per pound, twenty-seven cents; hyson, per pound, fifty cents; other green teas, per pound, thirty cents; coffee, per pound, four

cents; cocoa, per pound, one cent; loaf sugar, per pound, five cents; brown sugar, per pound, one cent and a half; other sugar, per pound, two and a half cents; candles of tallow, per pound, two cents; candles of wax or spermaceti, per pound, six cents; cheese, per pound, four cents; soap, per pound, two cents; pepper, per pound, six cents; pimento, per pound, four cents; manufactured tobacco, per pound, six cents; snuff, per pound, ten cents; indigo, per pound, twenty-five cents; cotton, per pound, three cents; nails and spikes, per pound, one cent; bar, and other lead, per pound, one cent; steel unwrought, per one hundred and twelve pounds, seventy-five cents; hemp, per one hundred and twelve pounds, fifty-four cents; cables, per one hundred and twelve pounds, one hundred cents; tarred cordage, per one hundred and twelve pounds, one hundred cents; untarred cordage and yarn, per one hundred and twelve pounds, one hundred and fifty cents; twine and packthread, per one hundred and twelve pounds, three hundred cents; salt, per bushel, twelve cents; malt, per bushel, ten cents; coal, per bushel, three cents; boots, per pair, fifty cents; shoes, slippers, and galoshes, made of leather, per pair, seven cents; shoes and slippers made of silk or stuff, per pair, ten cents; wool and cotton cards, per dozen, fifty cents; playing cards, per pack, ten cents; all China ware, looking-glasses, window and other glass, and all manufactures of glass, (black quart bottles excepted,) twelve and a half per centum *ad valorem*; marble, slate, and other stones, bricks, tiles, tables, mortars, and other utensils of marble or slate, and generally all stone and earthen ware, blank books, writing paper, and wrapping paper, paper hangings, pasteboards, parchment and vellum, pictures and prints, painters' colors, including lamp-black, except those commonly used in dying, gold, silver, and plated ware, gold and silver lace, jewellery and paste work, clocks and watches, shoe and knee buckles, grocery, (except the articles before enumerated,) namely, cinnamon, cloves, mace, nutmegs, ginger, aniseed, currants, dates, figs, plums, prunes, raisins, sugar-candy, oranges, lemons, limes, and generally all fruits and comfits, olives, capers, and pickles of every sort, oil, gunpowder, mustard in flour, ten per centum *ad valorem*; cabinet wares, buttons, saddles, gloves of leather, hats of beaver, felt, wool, or a mixture of any of them, millinery ready made, castings of iron, and slit and rolled iron, leather tanned or tawed, and all manufactures of which leather is the article of chief value, except such as are herein otherwise rated, canes, walking-sticks and whips, clothing ready made, brushes, anchors, all wares of tin, pewter, or copper, all or any of them, medicinal drugs, except those commonly used in dying, carpets and carpeting, all velvets, velverets, satins, and other wrought silks, cambrics, muslins, muslinets, lawns, laces, gauzes, chintzes, and colored calicoes, and nankeens, seven and a half

per centum *ad valorem*. All goods, wares, and merchandise imported directly from China or India in ships or vessels not of the United States, teas excepted, twelve and a half per centum *ad valorem*. All coaches, chariots, phaetons, chaises, chairs, solos, or other carriages, or parts of carriages, fifteen and a half per centum *ad valorem*; and five per centum *ad valorem* upon all other goods, wares, and merchandise, except bullion, tin in pigs, tin plates, old pewter, brass tutenag, iron and brass wire, copper in plates, saltpetre, plaster of Paris, wool, dying woods, and dying drugs, raw hides and skins, undressed furs of every kind, the sea-stores of ships or vessels, the clothes, books, household furniture, and the tools or implements of the trade or profession of persons who come to reside in the United States, philosophical apparatus, specially imported for any seminary of learning; all goods intended to be re-exported to a foreign port or place, in the same ship or vessel in which they shall be imported, and, generally, all articles of the growth, product, or manufactures of the United States.

Sec. 2. *And be it further enacted*, That an addition of ten per centum shall be made to the several rates of duties above specified and imposed in respect to all goods, wares, and merchandise, which after the said last day of December next, shall be imported in ships or vessels not of the United States, except in the cases in which an additional duty is hereinbefore specially laid on any goods, wares, or merchandises, which shall be imported in such ships or vessels.

Sec. 3. *And be it further enacted*, That all duties which shall be paid or secured to be paid by virtue of this act, shall be returned or discharged in respect to all such goods, wares, or merchandise, whereupon they shall have been so paid, or secured to be paid, as within twelve calendar months after payment made, or security given, shall be exported to any foreign port or place, except one per centum on the amount of the said duties, which shall be retained as an indemnification for whatever expense may have accrued concerning the same.

Sec. 4. *And be it further enacted*, That there shall be allowed and paid on dried and pickled fish, of the fisheries of the United States, and on other provisions salted within the said States, which, after the said last day of December next, shall be exported therefrom to any foreign port or place; in lieu of a drawback of the duty on the salt which shall have been expended thereupon, according to the following rates, namely: dried fish, per quintal, ten cents; pickled fish and other salted provisions, per barrel, ten cents.

Sec. 5. *And be it further enacted*, That where duties by this act are imposed, or drawbacks allowed on any specific quantity of goods, wares, and merchandise, the same shall be deemed to apply in proportion to any quantity, more or less, than such specific quantity.

Sec. 6. *And be it further enacted*, That all the duties which by virtue of the act entitled "An act for laying a duty on goods, wares, and merchandises imported into the United States," accrued between the time specified in the said act for the commencement of the said duties, and the respective times when the collectors entered upon the duties of their respective offices in the several districts, be, and they are, hereby remitted and discharged, and that in any case in which they may have been paid to the United States, restitution thereof shall be made.

Sec. 7. *And be it further enacted*, That the several duties imposed by this act, shall continue to be collected and paid, until the debts and purposes for which they are pledged and appropriated shall be fully discharged. *Provided*, That nothing herein contained shall be construed to prevent the Legislature of the United States from substituting other duties or taxes of equal value to any or all of the said duties and imposts.

Approved, August 10, 1790.

An Act to enable the officers and soldiers of the Virginia line on continental establishment, to obtain titles to certain lands lying northwest of the river Ohio, between the Little Miami and Sciota.

*Be it enacted, &c.*, That the act of Congress of the seventeenth of July, one thousand seven hundred and eighty-eight, relative to certain locations and surveys made by, or on account of the Virginia troops on continental establishment upon lands between the Little Miami and Sciota rivers, northwest of the Ohio be, and the same is hereby, repealed.

And whereas the agents for such of the troops of the State of Virginia, who served on the continental establishment in the army of the United States, during the war, have reported to the Executive of the said State, that there is not a sufficiency of good land on the southeasterly side of the river Ohio, according to the act of cession from the said State to the United States, and within the limits assigned by the laws of the said State, to satisfy the said troops for the bounty lands due to them, in conformity to the said laws; to the intent therefore that the difference between what has already been located for the said troops on the southeasterly side of the said river, and the aggregate of what is due to the whole of the said troops, may be located on the northwesterly side of the said river, and between the Sciota and Little Miami rivers, as stipulated by the said State:

Sec. 2. *Be it further enacted*, That the Secretary of the Department of War shall make return to the Executive of the State of Virginia of the names of such of the officers, non-commissioned officers, and privates of the line of the said State, who served in the army of the United States, on the continental establishment, during the late war, and who in conformity to the laws of the said State, are entitled to bounty lands; and shall also in such return state the

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aggregate amount in acres due to the said line by the laws aforesaid.

Sec. 3. *And be it further enacted*, That it shall and may be lawful for the said agents to locate to and for the use of the said troops, between the rivers Sciota and Little Miami, such a number of acres of good land as shall, together with the number already located between the said two rivers, and the number already located on the southeasterly side of the river Ohio, be equal to the aggregate amount, so to be returned as aforesaid by the Secretary of the Department of War.

Sec. 4. *And be it further enacted*, That the said agents, as soon as may be after the locations, surveys, and allotments are made and completed, shall enter in regular order, in a book to be by them provided for that purpose, the bounds of each location and survey between the said two rivers, annexing the name of the officer, non-commissioned officer, or private originally entitled to each; which entries being certified by the said agents, or the majority of them, to be true entries, the book containing the same shall be filed in the office of the Secretary of State.

Sec. 5. *And be it further enacted*, That it shall be lawful for the President of the United States to cause letters patent to be made out in such words and form as he shall devise and direct, granting to such person so originally entitled to bounty lands, to his use, and to the use of his heirs or assigns, or his or their legal representative or representatives, his, her, or their heirs or assigns, the lands designated in the said entries. *Provided always*, That before the seal of the United States shall be affixed to such letters patent, the Secretary of the Department of War shall have indorsed thereon that the grantee therein named was originally entitled to such bounty lands, and that he has examined the bounds thereof with the book of entries filed in the office of the Secretary of State, and finds the same truly inserted; and every such letters patent shall be countersigned by the Secretary of State, and a minute of the date thereof, and of the name of the grantee, shall be entered of record in his office, in a book to be specially provided for the purpose.

Sec. 6. *And be it further enacted*, That it shall be the duty of the Secretary of State, as soon as may be after the letters patent shall be so completed and entered of record, to transmit the same to the Executive of the State of Virginia, to be by them delivered to each grantee; or in case of his death, or that the right of the grantees shall have been legally transferred before such delivery, then to his legal representative or representatives, or to one of them.

Sec. 7. *And be it further enacted*, That no fees shall be charged for such letters patent and record, to the grantees, their heirs or assigns, or to his or their legal representative or representatives.

Approved, August 10, 1790.

An Act authorizing the Secretary of the Treasury to finish the light-house on Portland Head, in the District of Maine.

*Be it enacted, &c.*, That there be appropriated and paid out of the moneys arising from the duties on imports and tonnage, a sum not exceeding fifteen hundred dollars, for the purpose of finishing the light-house on Portland Head, in the District of Maine; and that the Secretary of the Treasury, under the directions of the President of the United States, be authorized to cause the said light-house to be finished and completed accordingly.

Approved, August 10, 1790.

An Act to alter the times for holding the Circuit courts of the United States in the districts of South Carolina and Georgia, and providing that the District court of Pennsylvania shall in future be held at the city of Philadelphia only.

*Be it enacted, &c.*, That the circuit courts of the United States in the districts of South Carolina and Georgia shall for the future be held as follows, to wit: in the district of South Carolina on the twenty-first day of October next, at Charleston, and in each succeeding year at Columbia on the twelfth day of May, and in Charleston on the twenty-fifth day of October; in the district of Georgia, on the fifteenth day of October next, at Augusta, and in each succeeding year at Savannah, on the twenty-fifth day of April, and at Augusta on the fifteenth day of October; except when any of those days shall happen to be Sunday, in which case the court shall be held on the Monday following. And all process that was returnable under the former law at Charleston, on the first day of October next, and at Augusta on the seventeenth day of October, shall now be deemed returnable respectively at Charleston on the twenty-fifth day of October next, and at Augusta on the fifteenth day of October next; any thing in the former law to the contrary notwithstanding.

Sec. 2. *And be it further enacted*, That so much of the act entitled "An act to establish the judicial courts of the United States," as directs that the district court for the district of Pennsylvania shall be held at Yorktown in the said State, be repealed; and that in future the district court for Pennsylvania be held in the city of Philadelphia.

Approved, August 11, 1790.

An Act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations.

*Be it enacted, &c.*, That the consent of Congress be, and is hereby, declared to the operation of the acts of the several States, hereinafter mentioned, so far as the same relate to the levying a duty on the tonnage of ships and vessels, for the purposes therein mentioned, until the



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tenth day of January next, that is to say: an act of the General Assembly of the State of Rhode Island and Providence Plantations, at their session held in January, one thousand seven hundred and ninety, entitled "An act to incorporate certain persons, by the name of the River Machine company, in the town of Providence, and for other purposes therein mentioned;" and also an act of the General Assembly of the State of Maryland, at their session in April, one thousand seven hundred and eighty-three, entitled "An act appointing wardens for the port of Baltimore Town, in Baltimore county;" as also another act of the General Assembly of the same State, passed at their session in November, one thousand seven hundred and eighty-eight, entitled "A supplement to the act entitled 'An act for appointing wardens for the port of Baltimore county;'" and also an act of the State of Georgia, "for levying and appropriating a duty on tonnage for the purpose of clearing the river Savannah, and removing the wrecks and other obstructions therein."

Approved, August 11, 1790.

An Act for the relief of disabled soldiers and scamen lately in the service of the United States, and of certain other persons.

*Be it enacted, &c.,* That Stephen Califf, Jeremiah Ryan, Joseph McGibbon, Samuel Garretson, Ephraim McCoy, Christian Khun, David Steele, Joseph Shuttlief, and Daniel Culver, disabled soldiers lately in the service of the United States be allowed pensions at the rate of five dollars per month from the time their pay in the army respectively ceased. That Christian Wolfe, a disabled soldier, be allowed a pension at the rate of four dollars per month from the date of his discharge. That Edward Scott, a disabled soldier, be allowed a pension at the rate of three dollars per month from the date of his discharge. That David Weaver and George Schell, disabled soldiers, be each allowed a pension, at the rate of two dollars per month, from the date of their respective discharges. That Seth Boardman, a disabled soldier, be allowed a pension, at the rate of three dollars and one-third of a dollar per month, from the seventeenth day of March, one thousand seven hundred and eighty-six. That Severinus Koch, a disabled captain of Colonel Jacob Klock's regiment of New York militia, be allowed a pension, at the rate of five dollars per month, from the twentieth day of August, one thousand seven hundred and seventy-seven. That John Younglove, a disabled major of Colonel Lewis Van Woort's regiment of New York militia, be allowed a pension, at the rate of six dollars per month, from the thirtieth day of July, one thousand seven hundred and eighty-one. That William White, a disabled private of Colonel Williams's regiment of New York militia, be allowed a pension, at the rate

of three dollars and one-third of a dollar per month, from the first day of April, one thousand seven hundred and eighty-six. That Jacob Newkerk, a disabled soldier of Colonel John Harper's regiment of New York State troops, be allowed a pension, at the rate of three dollars per month, from the twenty-second day of October, one thousand seven hundred and eighty. That David Poole, a disabled scaman lately in the service of the United States, be allowed a pension of five dollars per month, to commence on the fifth of March, one thousand seven hundred and eighty-nine.

*Sec. 2. And be it further enacted,* That Caleb Brewster, lately a lieutenant, who was wounded and disabled in the service of the United States, be allowed three hundred and forty-eight dollars and fifty-seven cents, the amount of his necessary expenses for sustenance and medical assistance, while dangerously ill of his wounds, including the interest to the first of July, one thousand seven hundred and ninety. And that the said Brewster be allowed a pension equal to his half-pay as a lieutenant from the third of November, one thousand seven hundred and eighty-three, he first having returned his commutation of half-pay.

*Sec. 3. And be it further enacted,* That Nathaniel Gove, a disabled lieutenant, lately in the service of the United States, be allowed a pension, at the rate of six dollars and two-thirds of a dollar per month, from the twentieth of May, one thousand seven hundred and seventy-eight, to the first day of July, one thousand seven hundred and eighty-six, and that he be allowed at the rate of thirteen dollars and one-third of a dollar per month, from the said first day of July, one thousand seven hundred and eighty-six.

*Sec. 4. And be it further enacted,* That the commissioner of army accounts be authorized and directed to settle the pay and depreciation of pay of John Stevens, a hostage in the late war at the capitulation of the Cedars, as a captain in the line of the army, and that he issue certificates accordingly. That he also issue a certificate to Charles Markley, lately a captain in Armand's corps, for the commutation of his half-pay. That he also settle the accounts of James Derry and Benjamin Hardison, who were made prisoners in Canada, in May, one thousand seven hundred and seventy-six, and forcibly detained in captivity among the Indians, and that he issue certificates for the balance of their pay respectively, to the third of November, one thousand seven hundred and eighty-three.

*Sec. 5. And be it further enacted,* That the several pensions mentioned in this act, due or to become due from the fifth of March, one thousand seven hundred and eighty-nine, shall be paid according to such laws as have been made, or shall be made relative to invalid pensioners; and that the arrears of the said pensions, due before the said fifth day of March, one thousand seven hundred and eighty-nine,

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shall be paid in such manner as Congress may hereafter provide for paying the arrears of pensions.

Sec. 6. *And be it further enacted*, That there shall be allowed to Seth Harding, for three months and ten days' services on board the Alliance frigate, during the late war, at the rate of sixty dollars per month, being the pay of a captain, to be paid out of the moneys arising from imposts and tonnage.

Approved, August 11, 1790.

An Act for the relief of the persons therein mentioned or described.

*Be it enacted, &c.*, That the Register of the Treasury shall, and is hereby required to grant unto Sarah, the widow of the late Major-general Earl of Stirling, who died in the service of the United States, a certificate to entitle her to a sum equal to an annuity for seven years' half-pay of a major-general, to commence as from the fourteenth day of January, one thousand seven hundred and eighty-three; in conformity to the act of the late Congress, passed on the twenty-fourth day of August, one thousand seven hundred and eighty; the amount for which the said certificate is to be granted, to be ascertained by the Secretary of the Treasury, and on similar principles as other debts of the United States are liquidated and certified.

Sec. 2. *And be it further enacted*, That the said register shall grant unto Frances Eleanor Laurens, the orphan daughter of the late lieutenant-colonel John Laurens, who was killed whilst in the service of the United States, a certificate to entitle her to a sum equal to an annuity for seven years' half-pay of a lieutenant-colonel, to commence as from the twenty-fifth day of August, one thousand seven hundred and eighty-two, according to the act of the late Congress of the twenty-fourth day of August, one thousand seven hundred and eighty; the amount for which the said certificate is to be granted, to be ascertained by the Secretary of the Treasury in manner aforesaid.

And whereas no provision hath heretofore been made for discharging the arrears of pensions due to officers, non-commissioned officers, and soldiers who were wounded and disabled whilst in the service of the United States: therefore,

Sec. 3. *Be it further enacted*, That each of the officers, non-commissioned officers, and soldiers who are so wounded and disabled, and who are now placed on the books in the office of the Secretary for the Department of War, as a pensioner, or to be so placed in conformity to any law of this Congress, shall receive from the Register of the Treasury, who is hereby required to grant the same, a certificate, to be liquidated and settled in such manner as the Secretary of the Treasury shall direct, for a sum equal to the pension annually due to him, to commence from the time he became entitled

thereto, or from the time to which the same had been paid, as the case may be, which shall be ascertained and certified by the said Secretary for the Department of War, and which annuity shall be liquidated to the fourth day of March, one thousand seven hundred and eighty-nine, from which day the United States have assumed the payment of the pensions certified by the several States. And in case of the death of any person so entitled, the certificate shall pass to his heirs or legal representative or representatives.

Sec. 4. *And be it further enacted*, That the widow or orphan of each officer, non-commissioned officer, or soldier who was killed or died whilst in the service of the United States, and who is now placed on the books in the office of the said Secretary, as entitled to a pension, by virtue of any act of the said late Congress, or any law of this Congress, and for whom provision has not been made by any State, and to whom any arrears of such pension are due, and which have arisen prior to the said fourth day of March, one thousand seven hundred and eighty-nine, shall receive a certificate therefor in like manner, and on the same principles, as certificates are by this act directed to be given to officers, non-commissioned officers, and soldiers, who were wounded or disabled as aforesaid.

Approved, August 11, 1790.

An Act making certain appropriations therein mentioned.

*Be it enacted, &c.*, That there be appropriated to the purposes hereinafter mentioned, to be paid out of the moneys arising from the duties on goods, wares, and merchandise imported, and on the tonnage of ships or vessels, the following sums, to wit: the sum of thirty-eight thousand eight hundred and ninety-two dollars and seventy-five cents, towards discharging certain debts contracted by Abraham Skinner, late commissary of prisoners, on account of the subsistence of the officers of the late army while in captivity; the sum of forty thousand dollars, towards discharging certain debts contracted by Colonel Timothy Pickering, late quartermaster-general, and which sum was included in the amount of a warrant drawn in his favor by the late superintendent of the finances of the United States, and which warrant was not discharged; the sum of one hundred and four thousand three hundred and twenty-seven dollars and twenty-two cents, for the several purposes specified in an estimate accompanying the report of the Secretary of the Treasury of the fifth instant, including one thousand dollars for defraying the expenses of certain establishments for the security of navigation of the like nature with those mentioned in the act entitled "An act for the establishment and support of light-houses, beacons, buoys, and public piers;" but not particularly

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specified therein; the sum of one hundred and eighty-one dollars and forty-two cents, for reimbursing the Secretary at War an advance by him made on account of George Morgan White Eyes, over and above the sum heretofore appropriated on account of the said George Morgan White Eyes; the sum of six hundred and thirty-two dollars and eighty cents, for the services and expenses of Isaac Guion, employed by direction of the President of the United States, in relation to the resolution of Congress of the twenty-sixth of August last; the sum of forty-one dollars and forty-seven cents, for reimbursing the Treasurer of the United States the costs by him paid on a protested bill; the sum of two hundred and fifty dollars, for the salary of an interpreter of the French language, employed in the Department of State; the sum of three hundred and twenty-six dollars and six cents, for sundry expenditures by Richard Phillips, on account of the household of the late President of Congress, and for certain unsatisfied claims against the same; the sum of seven hundred and fifty dollars, towards compensating the late loan officer of Pennsylvania for his services in relation to the re-exchange of certificates granted by the State of Pennsylvania, in lieu of certificates of the United States; which several sums so included in the said sum of one hundred and four thousand three hundred and twenty-seven dollars and twenty-two cents, are hereby authorized and granted; and the further sum of fifty thousand dollars, towards discharging such demands on the United States, not otherwise provided for, as shall have been ascertained and admitted in due course of settlement at the Treasury, and which are of a nature according to the usage thereof, to require payment in specie.

Approved, August 12, 1790.

An Act making provision for the reduction of the public debt.

It being desirable by all just and proper means to effect a reduction of the amount of the public debt, and as the application of such surplus of the revenue as may remain after satisfying the purposes for which appropriations shall have been made by law, will not only contribute to that desirable end, but will be beneficial to the creditors of the United States, by raising the price of their stock, and be productive of considerable saving to the United States.

*Be it enacted, &c.,* That all such surplus of the product of the duties on goods, wares, and merchandise imported, and on the tonnage of ships or vessels to the last day of December next, inclusively, as shall remain after satisfying the several purposes for which appropriations shall have been made by law to the end of the present session, shall be applied to the purchase of the debt of the United States, at

its market price, if not exceeding the par or true value thereof.

*Sec. 2. And be it further enacted,* That the purchases to be made of the said debt shall be made under the direction of the President of the Senate, the Chief Justice, the Secretary of State, the Secretary of the Treasury, and the Attorney General for the time being; and who, or any three of whom, with the approbation of the President of the United States, shall cause the said purchases to be made in such manner and under such regulations as shall appear to them best calculated to fulfil the intent of this act. *Provided,* That the same be made openly, and with due regard to the equal benefit of the several States. *And provided further,* That to avoid all risk or failure, or delay in the payment of interest stipulated to be paid for and during the year one thousand seven hundred and ninety-one, by the act entitled "An act making provision for the debt of the United States," such reservations shall be made of the said surplus as may be necessary to make good the said payments, as they shall respectively become due, in case of deficiency in the amount of the receipts into the Treasury during the said year, on account of the duties on goods, wares, and merchandise imported, and the tonnage of ships or vessels, after the last day of December next.

*Sec. 3. And be it further enacted,* That accounts of the application of the said moneys shall be rendered for settlement as other public accounts, accompanied with returns of the amount of the said debt purchased therewith, at the end of every quarter of a year, to be computed from the time of commencing the purchases aforesaid; and that a full and exact report of the proceedings of the said five persons, or any three of them, including a statement of the disbursements and purchases made under their direction, specifying the times thereof, the prices at which, and the parties from whom the same may be made, shall be laid before Congress, within the first fourteen days of each session which may ensue the present, during the execution of their said trust.

*Sec. 4. And be it further enacted,* That the President of the United States be, and he is hereby, authorized to cause to be borrowed, on behalf of the United States, a sum or sums not exceeding in the whole two millions of dollars, at an interest not exceeding five per cent., and that the sum or sums so borrowed be also applied to the purchase of the said debt of the United States, under the like direction, in the like manner, and subject to the like regulations and restrictions with the surplus aforesaid. *Provided,* That out of the interest arising on the debt to be purchased in manner aforesaid, there shall be appropriated and applied a sum not exceeding the rate of eight per centum per annum on account both of principal and interest towards the repayment of the two millions of dollars so to be borrowed.

Approved, August 12, 1790.

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*Resolved by the Senate and House of Representatives of the United States in America in Congress assembled,* That all treaties made, or which shall be made and promulgated under the authority of the United States shall, from time to time, be published and annexed to their code of laws by the Secretary of State.

Approved, June 14, 1790.

*Resolved, &c.,* That all surveys of lands in the Western Territory, made under the direc-

tion of the late geographer, Thomas Hutchins, agreeable to contracts for part of the said lands made with the late Board of Treasury, and perfected by the Secretary of the Treasury, so as to complete the said contracts; and that the said Secretary be, and is hereby, authorized to direct the making and completing any other surveys that remain to be made, so as to comply on the part of the United States with the several contracts aforesaid, in conformity to the terms thereof.

Approved, August 12, 1790.

### ACTS OF THE THIRD SESSION OF THE FIRST CONGRESS.

An Act supplementary to the act entitled "An act making further provision for the payment of the debts of the United States."

Whereas no express provision has been made for extending the act, entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels," to the collection of the duties imposed by the said "Act making further provision for the payment of the debts of the United States," doubts concerning the same may arise: therefore,

*Be it enacted, &c.,* That the act, entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels," doth and shall extend to, and be in force for the collection of the duties specified and laid in and by the act, entitled "An act making further provision for the payment of the debts of the United States," as fully and effectually as if every regulation, restriction, penalty, provision, clause, matter, or thing therein contained, had been inserted in and re-enacted by the act last aforesaid.

FRED. A. MUHLENBERG, *Speaker of the House of Representatives.*

JOHN ADAMS, *Vice President of the United States, and President of the Senate.*

Approved, December 27, 1790.

GEORGE WASHINGTON,  
*President of the United States.*

An Act to provide for the unloading of ships or vessels, in cases of obstruction by ice.

Whereas it sometimes happens that ships or vessels are obstructed by ice in their passage to the ports of their destination, and it is necessary that provision should be made for unloading such ships or vessels:

*Be it enacted, &c.,* That in all cases where a ship or vessel shall be prevented by ice from

getting to the port at which her cargo is intended to be delivered, it shall be lawful for the collector of the district, in which such ship or vessel may be so obstructed, to receive the report and entry of any such ship or vessel, and with the consent of the naval officer (where there is one) to grant a permit or permits for unloading or landing the goods, wares, or merchandise imported in such ship or vessel at any place within his district, which shall appear to him to be most convenient and proper.

Sec. 2. *And be it further enacted,* That the report and entry of such ship or vessel, and of her cargo, or any part thereof, and all persons concerned therein, shall be under and subject to the same rules, regulations, restrictions, penalties, and provisions, as if the said ship or vessel had arrived at the port of her destination, and had then proceeded to the delivery of her cargo.

Approved, January 7, 1791.

An Act to continue an act, entitled "An act declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations," so far as the same respects the States of Georgia, and Rhode Island and Providence Plantations.

*Be it enacted, &c.,* That the act, passed the last session of Congress, entitled "An act, declaring the assent of Congress to certain acts of the States of Maryland, Georgia, and Rhode Island and Providence Plantations," shall be continued, and is hereby declared to be in full force, so far as the same respects the States of Georgia, and Rhode Island and Providence Plantations, for the further term of one year, and from thence to the end of the then next session of Congress, and no longer.

Approved, January 10, 1791.

An Act declaring the consent of Congress, that a new State be formed within the jurisdiction of the Commonwealth of Virginia, and admitted into this Union, by the name of the State of Kentucky.

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Whereas the Legislature of the Commonwealth of Virginia, by an act, entitled "An act concerning the erection of the District of Kentucky into an independent State," passed the eighteenth day of December, one thousand seven hundred and eighty-nine, have consented that the District of Kentucky within the jurisdiction of the said Commonwealth, and according to its actual boundaries at the time of passing the act aforesaid, should be formed into a new State: and whereas a convention of delegates, chosen by the people of the said District of Kentucky, have petitioned Congress to consent that on the first day of June, one thousand seven hundred and ninety-two, the said District should be formed into a new State, and received into the Union by the name of the "State of Kentucky."

*Be it enacted, &c.,* That the Congress doth consent that the said District of Kentucky, within the jurisdiction of the Commonwealth of Virginia, and according to its actual boundaries, on the eighteenth day of December, one thousand seven hundred and eighty-nine, shall, upon the first day of June, one thousand seven hundred and ninety-two, be formed into a new State, separate from, and independent of, the said Commonwealth of Virginia.

*Sec. 2. And be it further enacted and declared,* That upon the aforesaid first day of June, one thousand seven hundred and ninety-two, the said new State, by the name and style of the State of Kentucky, shall be received and admitted into this Union, as a new and entire member of the United States of America.

Approved, February 4, 1791.

An Act declaring the consent of Congress to a certain act of the State of Maryland.

*Be it enacted, &c.,* That the consent of Congress be, and is hereby, granted and declared to the operation of an act of the General Assembly of Maryland, made and passed at a session begun and held at the city of Annapolis, on the first Monday in November last, entitled "An act to empower the wardens of the port of Baltimore, to levy and collect the duty therein mentioned," until the tenth day of January next, and from thence until the end of the then next session of Congress, and no longer.

Approved, February 9, 1791.

An Act making appropriations for the support of Government during the year one thousand seven hundred and ninety-one, and for other purposes.

*Be it enacted, &c.,* That there be appropriated the several sums, and for the several purposes following, to wit: a sum not exceeding two hundred and ninety-nine thousand two hundred and seventy-six dollars and fifty-three cents, for defraying the expenses of the civil list, as estimated by the Secretary of the Treasury, in the statement, number one, accompanying his report to the House of Representatives of the sixth instant, including the contingencies of the

several Executive officers, and of the two Houses of Congress, which are hereby authorized and granted: a sum not exceeding fifty thousand seven hundred and fifty-six dollars and fifty-three cents, for satisfying the several objects specified in the statement, number two, accompanying the report aforesaid, all such whereof, as may not have been heretofore provided for by law, being hereby authorized; and a sum not exceeding three hundred and ninety thousand one hundred and ninety-nine dollars and fifty-four cents, for the use of the Department of War, pursuant to the statement, number three, accompanying the report aforesaid, including therein the sum of one hundred thousand dollars, for defraying the expenses of an expedition lately carried on against certain Indian tribes, and the sum of eighty-seven thousand four hundred and sixty-three dollars and sixty cents, being the amount of one year's pensions to invalids, together with the contingencies of the said Department, which are hereby authorized: which several sums shall be paid out of the funds following, namely, the sum of six hundred thousand dollars, which, by the act, entitled "An act making provision for the debt of the United States," is reserved yearly for the support of the Government of the United States and their common defence; the amount of such surpluses as may remain in the Treasury, after satisfying the purposes for which appropriations were made, by the acts respectively, entitled "An act making appropriations for the service of the present year," passed the twenty-ninth day of September, one thousand seven hundred and eighty-nine; "An act making appropriations for the support of Government for the year one thousand seven hundred and ninety," passed the twenty-sixth day of March, one thousand seven hundred and ninety; "An act making certain appropriations therein mentioned," passed the twelfth day of August, one thousand seven hundred and ninety, and the product, during the present year, of such duties as shall be laid in the present session of Congress.

Approved, February 11, 1791.

An Act for the admission of the State of Vermont into this Union.

The State of Vermont having petitioned the Congress to be admitted a member of the United States,

*Be it enacted, &c.,* That on the fourth day of March, one thousand seven hundred and ninety-one, the said State, by the name and style of "the State of Vermont," shall be received and admitted into this Union, as a new and entire member of the United States of America."

Approved, February 18, 1791.

An Act to continue in force, for a limited time, an act passed at the first session of Congress, entitled "An act to regulate processes in the courts of the United States."

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*Be it enacted, &c.,* That an act, passed on the twenty-ninth day of September, in the year one thousand seven hundred and eighty-nine, entitled "An act to regulate processes in the courts of the United States," shall be, and the same hereby is, continued in force, until the end of the next session of Congress, and no longer.

Approved, February 18, 1791.

An Act regulating the number of Representatives to be chosen by the States of Kentucky and Vermont.

*Be it enacted, &c.,* That until the representatives in Congress shall be apportioned according to an actual enumeration of the inhabitants of the United States, the States of Kentucky and Vermont shall each be entitled to choose two representatives.

Approved, February 25, 1791.

An Act to incorporate the subscribers to the Bank of the United States.

Whereas it is conceived that the establishment of a bank for the United States, upon a foundation sufficiently extensive to answer the purposes intended thereby, and at the same time upon the principles which afford adequate security for an upright and prudent administration thereof, will be very conducive to the successful conducting of the national finances; will tend to give facility to the obtaining of loans, for the use of the Government, in sudden emergencies, and will be productive of considerable advantage to trade and industry in general: Therefore,

*Be it enacted, &c.,* That a Bank of the United States shall be established; the capital stock whereof shall not exceed ten millions of dollars, divided into twenty-five thousand shares, each share being four hundred dollars; and that subscriptions towards constituting the said stock, shall, on the first Monday of April next, be opened at the city of Philadelphia, under the superintendence of such persons, not less than three, as shall be appointed for that purpose by the President of the United States, who is hereby empowered to appoint the said persons accordingly; which subscriptions shall continue open until the whole of the said stock shall have been subscribed.

Sec. 2. *And be it further enacted,* That it shall be lawful for any person, co-partnership, or body politic, to subscribe for such or so many shares as he, she, or they shall think fit, not exceeding one thousand, except as shall be hereafter directed relatively to the United States; and that the sums respectively subscribed, except on behalf of the United States, shall be payable one-fourth in gold and silver, and three-fourths in that part of the public debt, which, according to the loan proposed in the fourth and fifteenth sections of the act, entitled "An act making provision for the debt of the United States," shall bear an accruing interest,

at the time of payment of six per centum per annum, and shall also be payable in four equal parts, in the aforesaid ratio of specie to debt, at the distance of six calendar months from each other; the first whereof shall be paid at time of subscription.

Sec. 3. *And be it further enacted,* That all those who shall become subscribers to the said bank, their successors and assigns shall be, and are hereby, created and made a corporation and body politic, by the name and style of "The President, Directors, and Company of the Bank of the United States;" and shall so continue until the fourth of March, one thousand eight hundred and eleven: and by that name shall be, and are hereby, made able and capable in law, to have, purchase, receive, possess, enjoy, and retain to them and their successors, lands, rents, tenements, hereditaments, goods, chattels, and effects of what kind, nature, or quality soever, to an amount not exceeding in the whole fifteen millions of dollars, including the amount of the capital stock aforesaid; and the same to sell, grant, demise, alien, or dispose of; to sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in courts of record, or any other place whatsoever; and also, to make, have, and use a common seal, and the same to break, alter, and renew at their pleasure; and also to ordain, establish, and put in execution, such by-laws, ordinances, and regulations as shall seem necessary and convenient for the government of the said corporation, not being contrary to law, or to the constitution thereof, (for which purpose general meetings of the stockholders shall and may be called by the directors, and in the manner hereinafter specified,) and generally to do and execute all and singular acts, matters, and things which to them it shall or may appertain to do; subject, nevertheless, to the rules, regulations, restrictions, limitations, and provisions hereinafter prescribed and declared.

Sec. 4. *And be it further enacted,* That for the well ordering of the affairs of the said corporation there shall be twenty-five directors; of whom there shall be an election on the first Monday of January in each year, by the stockholders or proprietors of the capital stock of the said corporation, and by plurality of the votes actually given; and those who shall be duly chosen at any election, shall be capable of serving as directors, by virtue of such choice, until the end or expiration of the Monday of January next ensuing the time of such election, and no longer.

Sec. 5. *Provided always, and be it further enacted,* That, as soon as the sum of four hundred thousand dollars, in gold and silver, shall have been actually received on account of the subscriptions to the said stock, notice thereof shall be given by the persons under whose superintendence the same shall have been made, in at least two public gazettes printed in the city of Philadelphia: and the said persons shall, at the same time, in like manner, notify a time



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and place within the said city, at the distance of ninety days from the time of such notification, for proceeding to the election of directors; and it shall be lawful for such election to be then and there made; and the persons, who shall then and there be chosen, shall be the first directors, and shall be capable of serving, by virtue of such choice, until the end or expiration of the Monday in January next ensuing the time of making the same, and shall forthwith thereafter commence the operations of the said bank, at the said city of Philadelphia.

*And provided further, That, in case it should at any time happen, that an election of directors should not be made upon any day when pursuant to this act it ought to have been made, the said corporation shall not for that cause be deemed to be dissolved; but it shall be lawful, on any other day, to hold and make an election of directors in such manner as shall have been regulated by the laws and ordinances of the said corporation. And provided lastly, That, in case of the death, resignation, absence from the United States, or removal of a director by the stockholders, his place may be filled up by a new choice for the remainder of the year.*

Sec. 6. *And be it further enacted, That the directors for the time being shall have power to appoint such officers, clerks, and servants under them as shall be necessary for executing the business of the said corporation, and to allow them such compensation, for their services respectively, as shall be reasonable; and shall be capable of exercising such other powers and authorities, for the well governing and ordering of the affairs of the said corporation, as shall be described, fixed, and determined by the laws, regulations, and ordinances of the same.*

Sec. 7. *And be it further enacted, That the following rules, restrictions, limitations, and provisions shall form and be fundamental articles of the Constitution of the said corporation, viz:*

I. The number of votes to which each stockholder shall be entitled, shall be according to the number of shares he shall hold, in the proportions following: that is to say, for one share, and not more than two shares, one vote; for every two shares above two, and not exceeding ten, one vote; for every four shares above ten, and not exceeding thirty, one vote; for every six shares above thirty, and not exceeding sixty, one vote; for every eight shares above sixty, and not exceeding one hundred, one vote; and for every ten shares above one hundred, one vote; but no person, co-partnership, or body politic shall be entitled to a greater number than thirty votes. And after the first election, no share or shares shall confer a right of suffrage, which shall not have been holden three calendar months previous to the day of election. Stockholders actually resident within the United States, and none other, may vote in elections by proxy.

II. Not more than three-fourths of the directors in office, exclusive of the president,

shall be eligible for the next succeeding year; but the director, who shall be president at the time of an election, may always be re-elected.

III. None but a stockholder, being a citizen of the United States, shall be eligible as a director.

IV. No director shall be entitled to any emolument, unless the same shall have been allowed by the stockholders at a general meeting. The stockholders shall make such compensation to the president, for his extraordinary attendance at the bank, as shall appear to them reasonable.

V. Not less than seven directors shall constitute a board for the transaction of business, of whom the president shall always be one, except in case of sickness, or necessary absence; in which case his place may be supplied by any other director, whom he, by writing under his hand, shall nominate for the purpose.

VI. Any number of stockholders, not less than sixty, who, together, shall be proprietors of two hundred shares or upwards, shall have power at any time to call a general meeting of the stockholders, for purposes relative to the institution, giving at least ten weeks' notice in two public gazettes of the place where the bank is kept, and specifying, in such notice, the object or objects of such meeting.

VII. Every cashier or treasurer, before he enters upon the duties of his office, shall be required to give bond, with two or more sureties, to the satisfaction of the directors, in a sum not less than fifty thousand dollars, with condition for his good behavior.

VIII. The lands, tenements, and hereditaments which it shall be lawful for the said corporation to hold, shall be only such as shall be requisite for its immediate accommodation in relation to the convenient transacting of its business, and such as shall have been *bona fide* mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

IX. The total amount of the debts, which the said corporation shall at any time owe, whether by bond, bill, note, or other contract, shall not exceed the sum of ten millions of dollars, over and above the moneys then actually deposited in the bank for safe-keeping, unless the contracting of any greater debt shall have been previously authorized by a law of the United States. In case of excess, the directors, under whose administration it shall happen, shall be liable for the same, in their natural and private capacities; and an action of debt may, in such case, be brought against them, or any of them, their or any of their heirs, executors, or administrators, in any court of record of the United States, or either of them, by any creditor or creditors of the said corporation, and may be prosecuted to judgment and execution; any condition, covenant, or agreement to the contrary notwithstanding. But this shall not be

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construed to exempt the said corporation, or the lands, tenements, goods, or chattels of the same, from being also liable for and chargeable with the said excess. Such of the said directors, who may have been absent when the said excess was contracted or created, or who may have dissented from the resolution or act whereby the same was so contracted or created, may respectively exonerate themselves from being so liable, by forthwith giving notice of the fact, and of their absence or dissent, to the President of the United States, and to the stockholders, at a general meeting, which they shall have power to call for that purpose.

X. The said corporation may sell any part of the public debt whereof its stock shall be composed, but shall not be at liberty to purchase any public debt whatsoever; nor shall directly or indirectly deal or trade in any thing, except bills of exchange, gold or silver bullion, or in the sale of goods really and truly pledged for money lent and not redeemed in due time; or of goods which shall be the produce of its lands. Neither shall the said corporation take more than at the rate of six per centum per annum, for or upon its loans or discounts.

XI. No loan shall be made by the said corporation, for the use or on account of the Government of the United States, to an amount exceeding one hundred thousand dollars, or of any particular State, to an amount exceeding fifty thousand dollars, or of any foreign prince or State, unless previously authorized by a law of the United States.

XII. The stock of the said corporation shall be assignable and transferable, according to such rules as shall be instituted in that behalf, by the laws and ordinances of the same.

XIII. The bills obligatory and of credit, under the seal of the said corporation, which shall be made to any person or persons, shall be assignable by endorsement thereupon, under the hand or hands of such person or persons, and of his, her, or their assignee or assignees, and so as absolutely to transfer and vest the property thereof in each and every assignee or assignees successively, and to enable such assignee or assignees to bring and maintain an action thereupon in his, her, or their own name or names. And bills or notes, which may be issued by order of the said corporation, signed by the president, and countersigned by the principal cashier or treasurer thereof, promising the payment of money to any person or persons, his, her, or their order, or to bearer, though not under the seal of the said corporation, shall be binding and obligatory upon the same, in the like manner, and with the like force and effect, as upon any private person or persons, if issued by him or them, in his, her, or their private or natural capacity or capacities; and shall be assignable and negotiable in like manner as if they were so issued by such private person or persons; that is to say, those which may be payable to any person or persons, his, her, or their order, shall be assignable by endorsement, in

like manner, and with the like effect, as foreign bills of exchange now are; and those which are payable to bearer shall be negotiable and assignable by delivery only.

XIV. Half-yearly dividends shall be made of so much of the profits of the bank as shall appear to the directors advisable; and once in every three years the directors shall lay before the stockholders, at a general meeting, for their information, an exact and particular statement of the debts which shall have remained unpaid after the expiration of the original credit, for a period of treble the term of that credit; and of the surplus of profit, if any, after deducting losses and dividends. If there shall be a failure in the payment of any part of any sum, subscribed by any person, co-partnership, or body politic, the party failing shall lose the benefit of any dividend which may have accrued, prior to the time for making such payment, and during the delay of the same.

XV. It shall be lawful for the directors aforesaid, to establish offices wheresoever they shall think fit within the United States, for the purposes of discount and deposit only, and upon the same terms, and in the same manner, as shall be practised at the bank; and to commit the management of the said offices, and the making of the said discounts, to such persons, under such agreements, and subject to such regulations as they shall deem proper; not being contrary to law, or to the constitution of the bank.

XVI. The officer at the head of the Treasury Department of the United States shall be furnished, from time to time, as often as he may require, not exceeding once a week, with statements of the amount of the capital stock of the said corporation, and of the debts due to the same; of the moneys deposited therein; of the notes in circulation, and of the cash in hand; and shall have a right to inspect such general accounts in the books of the bank as shall relate to the said statements. *Provided*, That this shall not be construed to imply a right of inspecting the account of any private individual or individuals with the bank.

Sec. 8. *And be it further enacted*, That if the said corporation, or any person or persons for or to the use of the same, shall deal or trade in buying or selling any goods, wares, merchandise, or commodities whatsoever, contrary to the provisions of this act, all and every person and persons by whom any order or direction for so dealing or trading shall have been given, and all and every person and persons who shall have been concerned as parties or agents therein, shall forfeit and lose treble the value of the goods, wares, merchandises, and commodities, in which such dealing and trade shall have been; one half thereof to the use of the informer, and the other half thereof to the use of the United States, to be recovered with costs of suit.

Sec. 9. *And be it further enacted*, That if the said corporation shall advance or lend any sum for the use or on account of the Govern-

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ment of the United States, to an amount exceeding one hundred thousand dollars, or of any particular State to an amount exceeding fifty thousand dollars, or of any foreign Prince or State, (unless previously authorized thereto by a law of the United States) all and every person and persons, by and with whose order, agreement, consent, approbation, or connivance, such unlawful advance or loan shall have been made, upon conviction thereof, shall forfeit and pay, for every such offence, treble the value or amount of the sum or sums which shall have been so unlawfully advanced or lent; one fifth thereof to the use of the informer, and the residue thereof to the use of the United States, to be disposed of by law and not otherwise.

Sec. 10. *And be it further enacted*, That the bills or notes of the said corporation, originally made payable, or which shall have become payable on demand, in gold and silver coin, shall be receivable in all payments to the United States.

Sec. 11. *And be it further enacted*, That it shall be lawful for the President of the United States, at any time or times, within eighteen months after the first day of April next, to cause a subscription to be made to the stock of the said corporation, as part of the aforesaid capital stock of ten millions of dollars, on behalf of the United States, to an amount not exceeding two millions of dollars, to be paid out of the moneys which shall be borrowed by virtue of either of the acts, the one entitled "An act making provision for the debt of the United States;" and the other entitled "An act making provision for the reduction of the public debt;" borrowing of the bank an equal sum, to be applied to the purposes for which the said moneys shall have been procured, reimbursable in ten years by equal annual instalments; or at any time sooner, or in any greater proportions that the Government may think fit.

Sec. 12. *And be it further enacted*, That no other bank shall be established by any future law of the United States, during the continuance of the corporation hereby created; for which the faith of the United States is hereby pledged.

Approved, February 25, 1791.

An Act supplementary to the act entitled "An act to incorporate the subscribers to the Bank of the United States."

*Be it enacted, &c.*, That the subscriptions to the stock of the Bank of the United States, as provided by the act entitled "An act to incorporate the subscribers to the Bank of the United States," shall not be opened until the first Monday in July next.

Sec. 2. *And be it further enacted*, That so much of the first payment as by the said act is directed to be in the six per cent. certificates of the United States, may be deferred until the first Monday in January next.

Sec. 3. *And be it further enacted*, That no person, corporation, or body politic, except in behalf of the United States, shall, for the space of three months after the said first Monday in July next, subscribe in any one day for more than thirty shares.

Sec. 4. *And be it further enacted*, That every subscriber shall, at the time of subscribing, pay into the hands of the persons who may be appointed to receive the same, the specie proportion required by the said act to be then paid. And if any such subscriber shall fail to make any of the future payments, he shall forfeit the sum so by him first paid, for the use of the corporation.

Sec. 5. *And be it further enacted*, That such part of the public debt, including the assumed debt, as is funded at an interest of three per cent. may be paid to the bank in like manner with the debt funded at six per cent., computing the value of the former at one half the value of the latter, and reserving to the subscribers who shall have paid three per cent. stock, the privilege of redeeming the same with six per cent. stock, at the above rate of computation, at any time before the first day of January, one thousand seven hundred and ninety-three; unless the three per cent. stock shall have been previously disposed of by the directors.

Approved, March 2, 1791.

An Act giving effect to the laws of the United States within the State of Vermont.

*Be it enacted, &c.*, That from and after the third day of March next, all the laws of the United States, which are not locally inapplicable, ought to have, and shall have the same force and effect within the State of Vermont, as elsewhere within the United States.

And to the end that the act, entitled "An act to establish the judicial courts of the United States," may be duly administered within the said State of Vermont.

Sec. 2. *Be it further enacted*, That the said State shall be one district, to be denominated Vermont District; and there shall be a district court therein, to consist of one judge, who shall reside within the said district, and be called a district judge, and shall hold annually four sessions; the first to commence on the first Monday in May next, and the three other sessions progressively on the like Monday of every third calendar month afterwards. The said district court shall be held alternately at the towns of Rutland and Windsor, beginning at the first.

Sec. 3. *And be it further enacted*, That the said district shall be, and the same hereby is, annexed to the eastern circuit. And there shall be held annually in the said district one circuit court; the first session shall commence on the seventeenth day of June next, and the subsequent sessions on the like day of June afterwards, except when any of the said days shall happen on a Sunday, and then the session shall commence on the day following; and the

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said sessions of the said circuit courts shall be held at the town of Bennington.

Sec. 4. *And be it further enacted*, That there shall be allowed to the judge of the said district court the yearly compensation of eight hundred dollars, to commence from the time of his appointment, and to be paid quarter-yearly at the Treasury of the United States.

Sec. 5. *And be it further enacted*, That all the regulations, provisions, directions, authorities, penalties, and other matters whatsoever, (except as herein afterwards is expressly provided) contained and expressed in and by the act entitled "An act providing for the enumeration of the inhabitants of the United States," shall have the same force and effect within the said State of Vermont, as if the same were, in relation thereto, repeated and re-enacted in and by this present act.

Sec. 6. *And be it further enacted*, That the enumeration of the inhabitants of the said State shall commence on the first Monday of April next, and shall close within five calendar months thereafter.

Sec. 7. *And be it further enacted*, That the marshal of the district of Vermont shall receive in full compensation for all the duties and services confided to, and enjoined upon, him in and by this act in taking the enumeration aforesaid, two hundred dollars.

And that the act, entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships and vessels," may be carried into effect in the said State of Vermont:

Sec. 8. *Be it further enacted*, That for the due collection of the said duties, there shall be in the said State of Vermont one district; and a collector shall be appointed, to reside at Allburgh on Lake Champlain, which shall be the only port of entry or delivery within the said district, of any goods, wares, or merchandise, not the growth or manufacture of the United States.

*Provided, nevertheless*, That the exception contained in the sixty-ninth section of the act last above mentioned, relative to the district of Louisville, shall be, and is hereby, extended to the said port of Allburgh.

Approved, March 2, 1791.

An Act to explain and amend an act, entitled "An act making further provision for the payment of the debts of the United States."

*Be it enacted, &c.*, That the duty of one cent per pound, laid by the act "making further provision for the payment of the debts of the United States," on bar and other lead, shall be deemed and taken to extend to all manufactures wholly of lead, or in which lead is the chief article, which shall hereafter be brought into the United States from any foreign port or place.

Sec. 2. *And be it further enacted*, That the duty of seven and a half per cent. ad valorem, laid by the act aforesaid on chintzes, and colored calicoes, shall be deemed and taken to extend to all printed, stained, and colored goods or manufactures of cotton or of linen, or of both, which hereafter shall be brought into the United States from any foreign port or place.

*Provided always*, That nothing in this act shall in any wise affect the true construction or meaning of the act aforesaid in relation to any of the above described articles brought into the United States before the passing of this act.

Approved, March 2, 1791.

An Act fixing the time for the next annual meeting of Congress.

*Be it enacted, &c.*, That after the third day of March next, the first annual meeting of Congress shall be on the fourth Monday of October next.

Approved, March 2, 1791.

An act repealing, after the last day of June next, the duties heretofore laid on distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same.

*Be it enacted, &c.*, That after the last day of June next, the duties laid upon distilled spirits by the act entitled "An act making further provision for the payment of the debts of the United States," shall cease; and that upon all distilled spirits which shall be imported into the United States after that day, from any foreign port or place, there shall be paid for their use the duties following, that is to say: for every gallon of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, twenty cents; for every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twenty-one cents; for every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, twenty-two cents; for every gallon of those spirits above proof, but not exceeding twenty per cent. according to the same hydrometer, twenty-five cents; for every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, thirty cents; for every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, forty cents.

Sec. 2. *And be it further enacted*, That the said duties shall be collected in the same manner, by the same persons, under the same regulations, and subject to the same forfeitures and other penalties, as those heretofore laid; the act concerning which shall be deemed to be in full force for the collection of the duties herein before imposed, except as to the alterations contained in this act.

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Sec. 3. *And be it further enacted*, That the said duties, when the amount thereof shall not exceed fifty dollars, shall be immediately paid; but when the said amount shall exceed fifty, and shall not amount to more than five hundred dollars, may, at the option of the proprietor, importer, or consignee, be either immediately paid, or secured by bond, with the condition for the payment thereof in four months; and if the amount of the said duties shall exceed five hundred dollars, the same may be immediately paid or secured by bond, with condition for the payment thereof in six months; which bond, in either case, at the like option of the proprietor, importer, or consignee, shall either include one or more sureties to the satisfaction of the collector, or person acting as such, or shall be accompanied with a deposit in the custody of the said collector, or person acting as such, of so much of the said spirits as shall, in his judgment, be a sufficient security for the amount of the duties for which the said bond shall have been given, and the charges of the safe-keeping and sale of the spirits so deposited; which deposit shall and may be accepted in lieu of the said surety or sureties, and shall be kept by the said collector, or person acting as such, with due and reasonable care at the expense and risk of the party or parties on whose account the same shall have been made; and if at the expiration of the time mentioned in the bond for payment of the duties thereby intended to be secured, the same shall not be paid, then the said deposited spirits shall be sold at public sale, and the proceeds thereof, after deducting the charges of keeping and sale, shall be applied to the payment of the whole sum of the duties for which such deposit shall have been made, rendering the overplus of the said proceeds, and the residue of the said spirits, if any there be, to the person or persons by whom such deposit shall have been made, or his, her, or their representatives.

Sec. 4. In order to a due collection of the duties imposed by this act, *Be it further enacted*, That the United States shall be divided into fourteen districts, each consisting of one State, but subject to alterations by the President of the United States, from time to time, by adding to the smaller such portion of the greater as shall in his judgment best tend to secure and facilitate the collection of the revenue; which districts it shall be lawful for the President of the United States to subdivide into surveys of inspection, and the same to alter at his discretion. That the President be authorized to appoint, with the advice and consent of the Senate, a supervisor to each district, and as many inspectors to each survey therein as he shall judge necessary, placing the latter under the direction of the former. *Provided always*, That it shall and may be lawful for the President, with the advice and consent of the Senate, in his discretion to appoint, such and so many officers of the customs to be inspectors in any survey of inspection as he shall deem

advisable to employ in the execution of this act. *Provided also*, That where, in the judgment of the President, a supervisor can discharge the duties of that office, and also that of inspector, he may direct the same. *And provided further*, That if the appointment of the inspectors of surveys, or any part of them, shall not be made during the present session of Congress, the President may, and he is hereby, empowered to make such appointments during the recess of the Senate, by granting commissions which shall expire at the end of their next session.

Sec. 5. *And be it further enacted*, That the supervisors, inspectors, and officers to be appointed by virtue of this act, and who shall be charged to take bonds for securing the payment of the duties upon spirits distilled within the United States, and with the receipt of moneys in discharge of such duties, shall keep fair and true accounts and records of their transactions in their respective offices, in such manner and form as may be directed by the proper department or officer having the superintendence of the collection of the revenue, and shall at all times submit their books, papers, and accounts to the inspection of such persons as are or may be appointed for that purpose, and shall at all times pay to the order of the officer, who is or shall be authorized to direct the payment thereof, the whole of the moneys which they may respectively receive by virtue of this act, and shall also once in every three months, or oftener if they shall be required, transmit their accounts for settlement to the officer or officers whose duty it is, or shall be, to make such settlement.

Sec. 6. *And be it further enacted*, That all officers and persons to be appointed pursuant to this act, before they enter on the duties of their respective offices, shall take an oath or affirmation diligently and faithfully to execute the duties of their said offices respectively, and to use their best endeavors to prevent and detect frauds, in relation to the duties on spirits imposed by this act, which oath or affirmation may be taken before any magistrate authorized to administer oaths within the district or survey to which he belongs, and being certified under the hand and seal of the magistrate by whom the same shall have been administered, shall within three months thereafter be transmitted to the Comptroller of the Treasury, in default of taking which oath or affirmation, the party failing shall forfeit and pay two hundred dollars for the use of the United States, to be recovered with costs of suit.

Sec. 7. *And be it further enacted*, That the supervisor of the revenue for each district shall establish one or more offices within the same, as may be necessary; and in order that the said offices may be publicly known, there shall be painted or written in large legible characters upon some conspicuous part outside and in front of each house, building, or place in which any such office shall be kept, these words, "*Office of Inspection*;" and if any person shall paint

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or write, or cause to be painted or written, the said words upon any other than such house or building, he or she shall forfeit and pay for so doing one hundred dollars.

Sec. 8. *And be it further enacted*, That within forty-eight hours after any ship or vessel, having on board any distilled spirits brought in such ship or vessel from any foreign port or place, shall arrive within any port of the United States, whether the same be the first port of arrival of such ship or vessel or not, the master or person having the command or charge thereof, shall report to one of the inspectors of the port at which she shall so arrive, the place from which she last sailed, with her name and burthen, and the quantity and kinds of the said spirits on board of her, and the casks, vessels, or cases, containing them, with their marks and numbers; on pain of forfeiting the sum of five hundred dollars.

Sec. 9. *And be it further enacted*, That the collector or other officer, or person acting as collector, with whom entry shall have been made of any of the said spirits, pursuant to the act entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise imported into the United States, and on the tonnage of ships or vessels," shall forthwith after such entry certify and transmit the same, as particularly as it shall have been made with him, to the proper officer of inspection, of the port where it shall be intended to commence the delivery of the spirits so entered, or any part thereof: for which purpose every proprietor, importer, or consignee, making such entry, shall deliver two manifests of the contents, (upon one of which the said certificate shall be given,) and shall at the time thereof declare the port at which the said delivery shall be so intended to be commenced, to the collector or officer with whom the same shall be made. And every permit granted by such collector for the landing of any of the said spirits shall, previous to such landing, be produced to the said officer of inspection, who shall make a minute in some proper book of the contents thereof, and shall endorse thereupon the word "*inspected*," the time when, and his own name: after which he shall return it to the person by whom it shall have been produced; and then, and not otherwise, it shall be lawful to land the spirits therein specified; and if the said spirits shall be landed without such endorsement upon the permit for that purpose granted, the master or person having charge of the ship or vessel from which the same shall have been so landed, shall for every such offence forfeit the sum of five hundred dollars.

Sec. 10. *And be it further enacted*, That whenever it shall be intended that any ship or vessel shall proceed with the whole or any part of the spirits which shall have been brought in such ship or vessel from any foreign port or place, from one port in the United States, to another port in the said United States, whe-

ther in the same or in different districts, the master or person having the command or charge of such ship or vessel shall, previous to her departure, apply to the officer of inspection, to whom report was made, for the port from which she is about to depart, for a certificate of the quantity and particulars of such of the said spirits as shall have been certified or reported to him to have been entered as imported in such ship or vessel, and of so much thereof as shall appear to him to have been landed out of her at such port; which certificate the said officer shall forthwith grant. And the master or person having the command or charge of such ship or vessel shall, within twenty-four hours after her arrival at the port to which she shall be bound, deliver the said certificate to the proper officer of inspection of such last mentioned port. And if such ship or vessel shall proceed from one port to another within the United States, with the whole or any part of the spirits brought in her as aforesaid, without having first obtained such certificate; or if, within twenty-four hours after her arrival at such other port, the said certificate shall not be delivered to the proper officer of inspection there, the master or person having the command or charge of the said ship or vessel, shall, in either case, forfeit the sum of five hundred dollars; and the spirits on board of her at her said arrival shall be forfeited, and may be seized by any officer of inspection.

Sec. 11. *And be it further enacted*, That all spirits which shall be imported as aforesaid shall be landed under the inspection of the officer or officers of inspection for the place where the same shall be landed, and not otherwise, on pain of forfeiture thereof, for which purpose the said officer or officers shall, at all reasonable times, attend. *Provided*, That this shall not be construed to exclude the inspection of the officers of the customs as now established and practised.

Sec. 12. *And be it further enacted*, That the officers of inspection under whose survey any of the said spirits shall be landed, shall, upon landing thereof, and as soon as the casks, vessels, and cases containing the same shall be gauged or measured, brand, or otherwise mark in durable characters, the several casks, vessels, or cases containing the same, with progressive numbers; and also with the name of the ship or vessel wherein the same was or were imported, and of the port of entry, and with the proof and quantity thereof; together with such other marks, if any other shall be deemed needful, as the respective supervisors of the revenue may direct. And the said officer shall keep a book, wherein he shall enter the name of each vessel in which any of the said spirits shall be so imported, and of the port of entry and delivery, and of the master of such vessel, and of each importer, and the several casks, vessels, and cases containing the same, and the marks of each; and if such officer is not the chief inspector within the survey, he shall, as soon as



may be thereafter, make an exact transcript of each entry, and deliver the same to such chief officer, who shall keep a like book for recording the said transcript.

Sec. 13. *And be it further enacted*, That the chief officer of inspection within whose survey any of the said spirits shall be landed, shall give to the proprietor, importer, or consignee thereof, or his or her agent, a certificate to remain with him or her, of the whole quantity of the said spirits which shall have been so landed; which certificate, besides the said quantity, shall specify the name of such proprietor, importer, or consignee, and of the vessel from on board which the said spirits shall have been landed, and of the marks of each cask, vessel, or case containing the same. And the said officer shall deliver to the said proprietor, importer, or consignee, or to his or her agent, a like certificate for each cask, vessel, or case; which shall accompany the same wheresoever it shall be sent, as evidence of its being lawfully imported. And the officer granting the said certificates shall make regular and exact entries in the book to be by him kept as aforesaid, of all spirits for which the same shall be granted, as particularly as therein described. And the said proprietor, importer, or consignee, or his or her agent, upon the sale and delivery of any of the said spirits, shall deliver to the purchaser or purchasers thereof, the certificate or certificates which ought to accompany the same; on pain of forfeiting the sum of fifty dollars for each cask, vessel, or case with which such certificate shall not be delivered.

Sec. 14. *And be it further enacted*, That upon all spirits which after the said last day of June next shall be distilled within the United States, wholly or in part from molasses, sugar, or other foreign materials, there shall be paid for their use the duties following, that is to say: for every gallon of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, eleven cents; for every gallon of those spirits under five, and not more than ten per cent. below proof, according to the same hydrometer, twelve cents; for every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, thirteen cents; for every gallon of those spirits above proof, and not exceeding twenty per cent., according to the same hydrometer, fifteen cents; for every gallon of those spirits, more than twenty and not more than forty per cent. above proof, according to the same hydrometer, twenty cents; for every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, thirty cents.

Sec. 15. *And be it further enacted*, That upon all spirits which after the said last day of June next, shall be distilled within the United States, from any article of the growth or produce of the United States, in any city, town, or village, there shall be paid for their use the duties following, that is to say: for every gallon

of those spirits more than ten per cent. below proof, according to Dicas's hydrometer, nine cents; for every gallon of those spirits' under five, and not more than ten per cent. below proof, according to the same hydrometer, ten cents; for every gallon of those spirits of proof, and not more than five per cent. below proof, according to the same hydrometer, eleven cents; for every gallon of those spirits above proof, but not exceeding twenty per cent. according to the same hydrometer, thirteen cents; for every gallon of those spirits more than twenty, and not more than forty per cent. above proof, according to the same hydrometer, seventeen cents; for every gallon of those spirits more than forty per cent. above proof, according to the same hydrometer, twenty-five cents.

Sec. 16. *And be it further enacted*, That the said duties on spirits distilled within the United States, shall be collected under the management of the supervisors of the revenue.

Sec. 17. *And be it further enacted*, That the said duties on spirits distilled within the United States shall be paid or secured previous to the removal thereof from the distilleries at which they are respectively made. And it shall be at the option of the proprietor or proprietors of each distillery, or of his, her, or their agent, having the superintendence thereof, either to pay the said duties previous to such removal, with an abatement at the rate of two cents for every ten gallons, or to secure the payment of the same, by giving bond quarter-yearly, with one or more sureties, to the satisfaction of the chief officer of inspection within whose survey such distillery shall be, and in such sum as the said officer shall direct, with condition for the payment of the duties upon all such of the said spirits as shall be removed from such distillery within three months next ensuing the date of the bond, at the expiration of nine months from the said date.

Sec. 18. *And be it further enacted*, That the supervisor of each district shall appoint proper officers to have the charge and survey of the distilleries within the same, assigning to each one or more distilleries as he may think proper, who shall attend such distillery at all reasonable times for the execution of the duties by this act enjoined on him.

Sec. 19. *And be it further enacted*, That previous to the removal of the said spirits from any distillery, the officer within whose charge and survey the same may be shall brand or otherwise mark each cask containing the same, in durable characters, and with progressive numbers, and with the name of the acting owner or other manager of such distillery, and of the place where the same was situated, and with the quantity therein, to be ascertained by actual gauging, and with the proof thereof. And the duties thereupon having been first paid, or secured, as above provided, the said officer shall grant a certificate for each cask of the said spirits, to accompany the same wheresoever it

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shall be sent, purporting that the duty thereon hath been paid or secured, as the case may be, and describing each cask by its marks; and shall enter in a book for that purpose to be kept, all the spirits distilled at such distillery, and removed from the same; and the marks of each cask, and the persons for whose use, and the places to which removed, and the time of each removal, and the amount of the duties on the spirits so removed. And if any of the said spirits shall be removed from any such distillery without having been branded or marked as aforesaid, or without such certificate as aforesaid, the same, together with the cask or casks containing, and the horses or cattle, with the carriages, their harness and tackling, and the vessel or boat, with its tackle and apparel employed in removing them, shall be forfeited, and may be seized by any officer of inspection. And the superintendent or manager of such distillery shall also forfeit the full value of the spirits so removed, to be computed at the highest price of the like spirits in the market.

Sec. 20. *And be it further enacted,* That no spirits shall be removed from any such distillery at any other times than between sun-rising and sun-setting, except by consent and in presence of the officer having the charge and survey thereof, on pain of forfeiture of such spirits, or of the value thereof at the highest price in the market, to be recovered with costs of suit from the acting owner or manager of such distillery.

Sec. 21. *And be it further enacted,* That upon stills which after the last day of June next shall be employed in distilling spirits from materials of the growth or production of the United States, in any other place than a city, town, or village, there shall be paid for the use of the United States the yearly duty of sixty cents for every gallon, English wine-measure, of the capacity or content of each and every such still, including the head thereof.

Sec. 22. *And be it further enacted,* That the evidence of the employment of the said still shall be, their being erected in stone, brick, or some other manner whereby they shall be in a condition to be worked.

Sec. 23. *And be it further enacted,* That the said duties on stills shall be collected under the management of the supervisor in each district, who shall appoint and assign proper officers for the surveys of the said stills and the admeasurement thereof, and the collection of the duties thereupon; and the said duties shall be paid half-yearly, within the first fifteen days of January and July, on demand of the proprietor or proprietors of each still, at his, her, or their dwelling, by the proper officer charged with the survey thereof; and in case of refusal or neglect to pay, the amount of the duties so refused or neglected to be paid, may either be recovered with costs of suit in an action of debt in the name of the supervisor of the district, within which such refusal shall happen, for the use of the United States, or may be levied by distress and sale of goods of the person or per-

sons refusing or neglecting to pay, rendering the overplus (if any there be, after payment of the said amount and the charges of distress and sale) to the said person or persons.

Sec. 24. *And be it further enacted,* That if the proprietor of any such still, finding himself or herself aggrieved by the said rates, shall enter or cause to be entered in a book to be kept for that purpose, from day to day when such still shall be employed, the quantity of spirits distilled therefrom, and the quantity from time to time sold or otherwise disposed of, and to whom and when, and shall produce the said book to the officer of inspection within whose survey such still shall be, and shall make oath or affirmation that the same doth contain, to the best of his or her knowledge and belief, true entries made at their respective dates, of all the spirits distilled within the time to which such entries shall relate, from such still, and of the disposition thereof; and shall also declare upon such oath or affirmation, the quantity of such spirits then remaining on hand, it shall be lawful in every such case for the said officer to whom the said book shall be produced, and he is hereby required to estimate the duties upon such still, according to the quantity so stated to have been actually made therefrom at the rate of nine cents per gallon, which, and no more, shall be paid for the same. *Provided,* That if the said entries shall be made by any person other than the said proprietor, a like oath or affirmation shall be made by such person.

And the more effectually to prevent the evasion of the duties hereby imposed on spirits distilled within the United States,

Sec. 25. *Be it further enacted,* That every person who shall be a maker or distiller of spirits from molasses, sugar, or other foreign materials, or from materials the growth and production of the United States, shall write or paint, or cause to be written or painted upon some conspicuous part outside and in front of each house or other building or place made use of, or intended to be made use of by him or her for the distillation or keeping of spirituous liquors, and upon the door or usual entrance of each vault, cellar, or apartment within the same, in which any of the said liquors shall be at any time by him or her distilled, deposited or kept, or intended so to be, the words "Distiller of Spirits;" and every such distiller shall, within three days before he or she shall begin to distil therein, make a particular entry in writing, at the nearest office of inspection, if within ten miles thereof, of every such house, building, or place, and of each vault, cellar, and apartment within the same, in which he or she shall intend to carry on the business of distilling, or to keep any spirits by him or her distilled. And if any such distiller shall omit to paint or write, or cause to be painted or written the words aforesaid, in manner aforesaid, upon any such house or other building or place, or vault, cellar, or apartment thereof, or shall, in case the same be situate within the said distance of ten

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miles of any office of inspection, omit to make entry thereof as aforesaid, such distiller shall, for every such omission or neglect, forfeit one hundred dollars, and all the spirits which he or she shall keep therein, or the value thereof, to be computed at the highest price of such spirits in the market; to be recovered by action, with costs of suit, in any court proper to try the same, in the name of the supervisor of the district within which such omission or neglect shall be, for the use of the United States: *Provided always, and be it further enacted*, That the said entry to be made by persons who shall be distillers of spirits, on the first day of July next, shall be made on that day, or within three days thereafter, accompanied (except where the duties hereby imposed are charged on the still) with a true and particular account or inventory of the spirits, on that day and at the time, in every or any house, building or place by him or her entered, and of the casks, cases, and vessels, containing the same, with their marks and numbers, and the quantities and qualities of the spirits therein contained, on pain of forfeiting for neglect to make such entry, or to deliver such account, the sum of one hundred dollars, and all the spirits by him or her had or kept in any such house, building, or place, to be recovered as aforesaid.

Sec. 26. *And be it further enacted*, That the supervisor of the revenue for the district wherein any house, building, or place shall be situated, whereof entry shall be made as last aforesaid, shall as soon as may be thereafter, visit and inspect, or cause to be visited and inspected by some proper officer or officers of inspection, every such house or other building or place within his district, and shall take or cause to be taken, an exact account of the spirits therein respectively contained, and shall mark or cause to be marked in durable characters, the several casks, cases, or vessels containing the same, with progressive numbers, and also with the name of each distiller to whom the same may belong, or in whose custody the same may be, and the quantities, kinds, and proofs of spirits therein contained, and these words, "old stock." And the inspector of each survey shall keep a book, wherein he shall enter the name of every distiller, and the particulars of such old stock in the possession of each, designating the several casks, cases, and vessels containing the same and their respective quantities, kinds, proofs, and marks, and shall also give a certificate to every such distiller of the quantity and particulars of such old stock in his or her possession, and a separate certificate for each cask, case, or vessel, describing the same, which certificate shall accompany the same wheresoever it shall be sent, and such distiller, his or her agent or manager, upon the sale and delivery of any of the said spirits, shall deliver to the purchaser or purchasers thereof, the certificate or certificates that ought to accompany the same, on pain of forfeiting fifty dollars for each cask,

case, or vessel, with which such certificate shall not be delivered.

Sec. 27. *And be it further enacted*, That every importer of distilled spirits, who, on the first day of July next, shall have in his or her possession any distilled spirits, shall, within three days thereafter, make due entry thereof with the officer of inspection within whose survey the same shall then be; who shall mark the casks, vessels, or cases, containing such spirits, in like manner as is herein before directed touching such spirits as shall be in the possession of distillers on the first day of July next, and shall grant the like certificates therefor, as for such spirits, which certificates shall accompany the respective casks, cases, and vessels, to which they shall relate, wheresoever they shall be sent, and such importer, his, or her agent, upon the sale and delivery of any of the said spirits, shall deliver to the purchaser or purchasers thereof the certificate or certificates which ought to accompany the same, on pain of forfeiting fifty dollars for each cask, case, or vessel, with which such certificates shall not be delivered. And if any such importer, or importers, shall refuse or neglect to make such entry at the time, and in the manner herein directed, all such spirits as shall not be so entered shall be forfeited, and the importer, or importers, in whose custody the same shall be found, shall, moreover, forfeit the sum equal to the full value thereof, according to the highest price of such spirits in the market.

Sec. 28. *And be it further enacted*, That if any cask, case, or vessel, containing distilled spirits, which, by the foregoing provisions of this act, ought to be marked and accompanied with a certificate, shall be found in the possession of any person unaccompanied with such marks and certificate, it shall be presumptive evidence that the same are liable to forfeiture, and it shall be lawful for any officer of inspection to seize them as forfeited; and if, upon the trial, in consequence of such seizure, the owner or claimant of the spirits seized, shall not prove that the same were imported into the United States according to law, or were distilled, as mentioned in the thirteenth and fourteenth sections of this act, and the duties thereupon paid, or were distilled at one of the stills mentioned in the twentieth section of this act, they shall be adjudged to be forfeited.

Sec. 29. *And be it further enacted*, That it shall be lawful for the officers of inspection of each survey, at all times in the day time, upon request, to enter into all and every the houses, storehouses, warehouses, buildings and places, which shall have been entered in manner aforesaid, and by tasting, gauging, or otherwise, to take an account of the quantity, kinds, and proofs, of the said spirits therein contained; and also to take samples thereof, paying for the same the usual price.

Sec. 30. *And be it further enacted*, That if any person or persons shall rub out or deface any of the marks set upon any cask, vessel, or

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case, pursuant to the directions of this act, such person or persons shall, for every such offence, forfeit and pay the sum of one hundred dollars.

Sec. 31. *And be it further enacted*, That no cask, barrel, keg, vessel, or case, marked as "old stock," shall be made use of by any distiller of spirits, for putting or keeping therein any spirits, other than those which were contained therein when so marked, on pain of forfeiting the sum of one hundred dollars for every cask, barrel, keg, vessel, or case, wherein any such spirits shall be so put or kept; neither shall any such distiller have or keep any distilled spirits in any such cask, barrel, keg, vessel, or case, longer than for the space of one year from the said last day of June next, on pain of forfeiting the said spirits: *Provided*, That nothing in this section contained shall be construed to extend to casks or vessels, capable of containing two hundred gallons and upward, and which are not intended to be removed.

Sec. 32. *And be it further enacted*, That in case any of the said spirits shall be fraudulently deposited, hid, or concealed, in any place whatsoever, with intent to evade the duties thereby imposed upon them, they shall be forfeited. And for the better discovery of any such spirits so fraudulently deposited, hid, or concealed, it shall be lawful for any judge of any court of the United States, or either of them, or for any justice of the peace, upon reasonable cause of suspicion, to be made out to the satisfaction of such judge or justice by the oath or affirmation of any person or persons, by special warrant, or warrants, under their respective hands and seals, to authorize any of the officers of inspection, by day, in the presence of a constable, or other officer of the peace, to enter into all and every such place or places, in which any of the said spirits shall be suspected to be so fraudulently deposited, hid, or concealed, and to seize and carry away any of the said spirits which shall be there found so fraudulently deposited, hid, or concealed, as forfeited.

Sec. 33. *And be it further enacted*, That after the last day of June next, no spirituous liquors, except gin or cordials in cases, jugs, or bottles, shall be brought from any foreign port or place, in casks of less capacity than fifty gallons, at the least, on pain of forfeiting of the said spirits, and of the ship or vessel in which they shall be brought: *Provided always*, That nothing in this act contained shall be construed to forfeit any spirits for being imported, or brought into the United States, in other casks or vessels than as aforesaid, or the ship or vessel in which they shall be brought, if such spirits shall be for the use of the seamen on board such ship or vessel, and shall not exceed the quantity of four gallons for each seaman.

Sec. 34. *And be it further enacted*, That in every case in which any of the said spirits shall be forfeited by virtue of this act, the casks, ves-

sels, and cases, containing the same, shall also be forfeited.

Sec. 35. *And be it further enacted*, That every distiller of spirits, on which the duty is hereby charged by the gallon, shall keep, or cause to be kept, an exact account of the said spirits, which he or she shall sell, send out, or distil, distinguishing their several kinds and proofs; and shall, every day, make a just and true entry in a book, to be kept for that purpose, of the quantities and particulars of the said spirits by him or her sold, sent out or distilled on the preceding day; specifying the marks of the several casks in which they shall be so sold or sent out, and the persons to whom, and for whose use, they shall be so sold or sent out: which said books shall be prepared for the making such entries, and shall be delivered, upon demand, to the said distillers, by the supervisors of the revenue of the several districts, or by such person or persons as they shall, respectively, for that purpose, appoint, and shall be severally returned or delivered at the end of each year, or when the same shall be respectively filled up, (which shall first happen,) to the proper officers of inspection; and the truth of the entries made therein shall be verified, upon the oath or affirmation of the person by whom those entries shall have been made, and as often as the said books shall be furnished, upon like demand, by the proper officers of inspection, to the said distillers, respectively. And the said books shall, from time to time, while in the possession of the said distillers, lie open for the inspection of, and, upon request, shall be shown to, the proper officers of inspection, under whose survey the said distillers shall respectively be, who may take such minutes, memorandums, or transcripts thereof, as they may think fit. And if any such distiller shall neglect, or refuse, to keep such book or books, or to make such entries therein, or to show the same, upon request, to the proper officer of inspection, or not return the same, according to the directions of this act, he or she shall forfeit for every such refusal or neglect, the sum of one hundred dollars.

Sec. 36. *And be it further enacted*, That the penalties by this act imposed on distillers, for neglecting to make report to the inspectors, of their intentions of distilling spirits, or for neglecting to mark the houses, apartments, or vessels to be employed, or for neglecting to enter in books the quantity of spirits distilled, shall not extend to any person who shall employ one still only, and that of a capacity not exceeding fifty gallons, including the still head.

Sec. 37. *And be it further enacted*, That the several kinds of proof hereinbefore specified, shall, in marking the casks, vessels, and cases, containing any distilled spirits, be distinguished, corresponding with the order in which they are mentioned, by the words "First Proof," "Second Proof," "Third Proof," "Fourth Proof," "Fifth Proof," "Sixth Proof." And that it be the duty of the Secretary of the

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Treasury to provide and furnish to the officers of inspection and of the customs, proper instruments for ascertaining the said several proofs.

Sec. 38. *And be it further enacted*, That in any prosecution or action, which may be brought against any supervisor or other officer of inspection, for any seizure by him made, it shall be necessary for such supervisor or officer, to justify himself, by making it appear that there was probable cause for making the said seizure; upon which, and not otherwise, a verdict shall pass in his favor. And in any such action or prosecution, or in any action or prosecution which may be brought against such supervisor or other officer, for irregular or improper conduct in the execution of his duty, the trial shall be by jury. And in any action for a seizure, in which a verdict shall pass for such officer, the jury shall, nevertheless, assess reasonable damages for any prejudice or waste (according to the true amount in value thereof) which shall be shown, by good proof, to have happened to the spirits seized, in consequence of such seizure; and also for the detention of the same, at the rate of six per cent. per annum, on the true value of the said spirits at the time of such seizure, from that time to the time of restoration thereof; which shall be paid out of the treasury of the United States: *Provided*, That no damages shall be assessed when the seizure was made for want of the proper certificate or certificates, or by reason of a refusal to show any officer of inspection, upon his request, the spirits in any entered house, building, or place: *And provided also*, That if it shall appear from the verdict of the jury, that any such prejudice or waste was sustained by the negligence of the officer, he shall be responsible therefor to the United States.

Sec. 39. *And be it further enacted*, That if any supervisor, or other officer of inspection, in any criminal prosecution against him, shall be convicted of oppression or extortion in the execution of his office, he shall be fined not exceeding five hundred dollars, or imprisoned not exceeding six months, or both, at the discretion of the court; and shall also forfeit his office.

Sec. 40. *And be it further enacted*, That no fee shall be taken for any certificate to be issued or granted pursuant to this act.

Sec. 41. *And be it further enacted*, That if any of the said supervisors, or other officers of inspection, shall neglect to perform any of the duties hereby enjoined upon them, respectively, according to the true intent and meaning of this act, whereby any person or persons shall be injured or suffer damage, such person or persons shall and may have an action, founded upon this act, against such supervisors, or other officers, and shall recover full damages for the same, together with costs of suit.

Sec. 42. *And be it further enacted*, That any action or suit to be brought against any person or persons, for any thing by him or them done

in pursuance of this act, shall be commenced within three months next after the matter or thing done, and, unless brought in a court of the United States, shall be laid in the county in which the cause of action shall have arisen; and the defendant or defendants in any such action or suit, may plead the general issue, and, on the trial thereof, give this act and the special matter in evidence; and if a verdict shall pass for the defendant or defendants, or the plaintiff or plaintiffs become nonsuited, or discontinue his, her, or their action or prosecution, or judgment shall be given against such plaintiff or plaintiffs, upon demurrer or otherwise, then such defendant or defendants shall have costs awarded to him, her, or them, against such plaintiff or plaintiffs.

And in order that persons who may have incurred any of the penalties of this act, without wilful negligence, or intention of fraud, may be relieved from such penalties,

Sec. 43. *Be it further enacted*, That it shall be lawful for the judge of the district within which such penalty or forfeiture shall have been incurred, at any time within one year after the last day of June next, upon petition of the party who shall have incurred the same, to inquire, in a summary way, into the circumstances of the case, first causing reasonable notice to be given to the person or persons claiming such penalty or forfeiture, and to the attorney of such district; to the end that each may have an opportunity of showing cause against the mitigation or remission thereof; and shall cause the facts, which shall appear upon such inquiry, to be stated and annexed to the petition, and direct their transmission to the Secretary of the Treasury of the United States, who shall thereupon have power to mitigate or remit such penalty or forfeiture, if it shall appear to him that such penalty or forfeiture was incurred without wilful negligence, or any design or intention of fraud, and to cause any spirits which may have been seized, to be restored to the proprietor or proprietors, upon such terms and conditions as shall appear to him reasonable.

Sec. 44. *And be it further enacted*, That the one half of all penalties and forfeitures incurred by virtue of this act, except as above provided, shall be for the benefit of the person or persons who shall make a seizure, or who shall first discover the matter or thing whereby the same shall have been incurred, and the other half to the use of the United States. And such penalty and forfeiture shall be recoverable, with costs of suit, by action of debt, in the name of the person or persons entitled thereto, or by information, in the name of the United States of America; and it shall be the duty of the attorney of the district wherein any such penalty or forfeiture may have been incurred, upon application to him, to institute or bring such information accordingly: *Provided always*, That no officer of inspection other than chief officer or officers of a survey, shall be entitled to the

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benefit of any forfeiture, unless notice of the seizure by him made, shall be by him given, within forty-eight hours next after such seizure to the said chief officer or officers; but, in such case the United States shall have the entire benefit of such forfeiture.

Sec. 45. *And be it further enacted*, That if any person or persons shall counterfeit or forge, or cause to be counterfeited or forged, any of the certificates hereinbefore directed to be given, or shall knowingly or willingly accept or receive any false or untrue certificate, with any of the said spirits, or shall fraudulently alter or erase any such certificate after the same shall be given, or knowingly or willingly publish or make use of such certificate so counterfeited, forged, false, untrue, altered, or erased, every person so offending, shall, for each and every offence, forfeit and pay the sum of five hundred dollars.

Sec. 46. *And be it further enacted*, That any person or persons that shall be convicted of wilfully taking a false oath or affirmation, in any of the cases in which oaths or affirmations are required to be taken by virtue of this act, shall be liable to the pains and penalties to which persons are liable for wilful and corrupt perjury.

Sec. 47. *And be it further enacted*, That if any person or persons shall give, or offer to give, any bribe, recompense or reward whatsoever, to any supervisor, or other officer of inspection of the revenue, in order to corrupt, persuade, or prevail upon, such officer, either to do any act or acts contrary to his duty in the execution of this act, or to neglect or omit to do any act or thing which he ought to do in the execution of this act, or to connive at, or to conceal, any fraud or frauds relating to the duties hereby imposed on any of the said spirits, or not to discover the same, every such person or persons shall, for such offence, whether the same offer or proposal be accepted or not, forfeit and pay a sum not exceeding five hundred dollars.

Sec. 48. *And be it further enacted*, That if any person or persons shall forcibly obstruct or hinder any supervisor, or other officer of inspection, in the execution of this act, or of any of the powers or authorities hereby vested in him, or shall forcibly rescue, or cause to be rescued, any of the said spirits, after the same shall have been seized by any such supervisor, or other officer, or shall attempt or endeavor so to do, all and every person and persons so offending, shall, for every such offence, for which no other penalty is particularly provided by this act, forfeit and pay a sum not exceeding two hundred dollars.

Sec. 49. *And be it further enacted*, That if any such supervisor, or other officer, shall enter into any collusion with any person or persons, for violating or evading any of the provisions of this act, or the duties hereby imposed, or shall fraudulently concur in the delivery of any of the said spirits, out of any house, build-

ing or place, wherein the same are deposited, without payment, or security for the payment, of the duties thereupon, or shall falsely or fraudulently mark any cask, case, or vessel, contrary to any of the said provisions, or shall embezzle the public money, or otherwise be guilty of fraud in his office, such supervisor, or other officer, shall, for every such offence, forfeit the sum of one thousand dollars, and, upon conviction of any of the said offences, shall forfeit his office, and shall be disqualified for holding any other office under the United States.

Sec. 50. *And be it further enacted*, That in every case in which an oath or affirmation is required by virtue of this act, it shall be lawful for the supervisors of the revenue, or any of them, or their lawful deputy, or the lawful deputy of one of them, where not more than one in a district, to administer and take such oath or affirmation. And that wherever there are more than one supervisor for one district, a majority of them may execute all and any of the powers and authorities hereby vested in the supervisors of the revenue: *Provided*, That this shall not be construed to make a majority necessary in any case in which, according to the nature of the appointment or service, and the true intent of this act, the authority is or ought to be several.

And for the encouragement of the export trade of the United States:

Sec. 51. *Be it further enacted*, That if any of the said spirits (whereupon any of the duties imposed by this act shall have been paid or secured to be paid) shall, after the last day of June next, be exported from the United States, to any foreign port or place, there shall be an allowance to the exporter or exporters thereof, by way of drawback, equal to the duties thereupon, according to the rates in each case by this act imposed, deducting therefrom half a cent per gallon, and adding to the allowance upon spirits distilled within the United States from molasses, which shall be so exported, three cents per gallon, as an equivalent for the duty laid upon molasses by the said act making further provision for the payment of the debts of the United States: *Provided always*, That the said allowance shall not be made, unless the said exporter or exporters shall observe the regulations hereinafter prescribed: *And provided further*, That nothing herein contained shall be construed to alter the provisions in the said former act, concerning drawbacks or allowances in nature thereof, upon spirits imported prior to the first day of July next.

Sec. 52. *And be it further enacted*, That in order to entitle the said exporter or exporters to the benefit of the said allowances, he, she, or they, shall, previous to putting or lading any of the said spirits on board of any ship or vessel for exportation, give twenty-four hours' notice at the least, to the proper officer of inspection of the port from which the said spirits shall be intended to be exported, of his, her, or



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their, intention to export the same, and of the number of casks, vessels, and cases, or either of them, containing the said spirits so intended to be exported, and of the respective marks thereof, and of the place or places where the said spirits shall be then deposited, and of the place to which, and ship or vessel in which they shall be so intended to be exported; whereupon it shall be the duty of the said officer to inspect, by himself or deputy, the casks, vessels, and cases, so noticed for exportation, and the quantities, kinds, and proofs, of the spirits therein, together with the certificates which ought to accompany the same, according to the directions of this act, which shall be produced to him for that purpose; and if he shall find that the said casks, vessels, and cases, have the proper marks, according to the directions of this act, and that the spirits therein correspond with the said certificates, he shall thereupon brand each cask, vessel, or case, with the word "exportation;" and that the said spirits shall, after such inspection, be laden on board the same ship or vessel, of which notice shall have been given, and in the presence of the same officer who shall have examined the same, and whose duty it shall be to attend for that purpose. And after the said spirits shall be laden on board such ship or vessel, the certificates aforesaid shall be delivered to the said officer, who shall certify, to the collector of the said district, the amount and particulars of the spirits so exported, and shall also deliver the said certificates, which shall have been by him received, to the said collector, which shall be a voucher to him for payment of the said allowance.

Sec. 53. *Provided nevertheless, and be it further enacted*, That the said allowance shall not be made, unless the said exporter or exporters shall make oath, or affirmation, that the said spirits so noticed for exportation, and laden on board such ship or vessel, are truly intended to be exported to the place whereof notice shall have been given, and are not intended to be re-landed within the United States; and that he or she doth verily believe that the duties thereupon charged by this act, have been duly paid, or secured to be paid; and shall also give bond to the collector, with two sureties, one of whom shall be the master, or other person having the command or charge of the ship or vessel, in which the said spirits shall be intended to be exported; the other, such sufficient person as shall be approved by the said collector, in the full value, in the judgment of the said collector, of the said spirits so intended to be exported, with the condition that the said spirits, (the dangers of the seas and enemies excepted) shall be really and truly exported to, and landed in, some port or place without the limits of the United States, and that the said spirits shall not be unshipped from on board of the said ship or vessel, whereupon the same shall have been laden for exportation, within the said limits, or any ports or harbors of the United

States, or re-landed in any other part of the same, (shipwreck or other unavoidable accident excepted.)

Sec. 54. *Provided also, and be it further enacted*, That the said allowance shall not be paid until six months after the said spirits shall have been so exported: *And provided also*, That whenever the owner of any ship or vessel, on board of which any such spirits are laden for exportation, shall make known to the collector, previous to the departure of such ship or vessel from the port where such spirits are laden, that such ship or vessel is not going to proceed the voyage intended, or the voyage is altered, it shall be lawful for the collector to grant a permit for the re-landing the same.

Sec. 55. *And be it further enacted*, That if any of the said spirits, after the same shall have been shipped for exportation, shall be unshipped for any purpose whatever, either within the limits of any part of the United States, or within four leagues of the coast thereof, or shall be re-landed within the United States, from on board the ship or vessel wherein the same shall have been laden for exportation, unless the voyage shall not be proceeded on, or shall be altered as aforesaid, or unless, in case of necessity or distress, to save the ship and goods from perishing, which shall be immediately made known to the principal officer of the customs, residing at the port nearest to which such ship or vessel shall be at the time such necessity or distress shall arise, then, not only the spirits so unshipped, together with the casks, vessels, and cases, containing the same, but also the ship or vessel in or on board which the same shall have been so shipped or laden, together with her guns, furniture, ammunition, tackle, and apparel; and also the ship, vessel, or boat, into which the said spirits shall be unshipped or put, after the unshipping thereof, together with her guns, furniture, ammunition, tackle, and apparel, shall be forfeited, and may be seized by any officer of the customs, or of inspection.

Sec. 56. *And be it further enacted*, That the said allowance shall not be made when the said spirits shall be exported in any other than a ship or vessel of the burthen of thirty tons and upwards, to be ascertained to the satisfaction of the collector of the district from which the same shall be intended to be exported.

Sec. 57. *And be it further enacted*, That the bonds to be given as aforesaid, shall and may be discharged by producing, within one year from the respective dates thereof, (if the same be shipped to any part of Europe or America, and within two years if shipped to any part of Asia or Africa, and if the delivery of the spirits in respect to which the same shall have been given, be at any place where a consul or other agent of the United States resides) a certificate of such consul or agent, or if there be no such consul or agent, then a certificate of any two known and reputable American merchants, residing at the said place; and if there

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be not two such merchants residing at the said place, then a certificate of any other two reputable merchants, testifying the delivery of the said spirits at the said place. Which certificate shall, in each case, be confirmed by the oath or affirmation of the master and mate, or other like officer, of the vessel in which the said spirits shall have been exported; and when such certificate shall be from any other than a consul or agent, or merchants of the United States, it shall be a part of the said oath or affirmation, that there were not, upon diligent inquiry, to be found, two merchants of the United States at the said place: *Provided always*, That in the case of death, the oath or affirmation of the party dying shall not be deemed necessary: *And provided further*, That the said oath or affirmation, taken before the chief civil magistrate of the place of the said delivery, and certified under his hand and seal, shall be of the same validity as if taken before a person qualified to administer oaths within the United States; or such bonds shall and may be discharged upon proof that the spirits so exported, were taken by enemies, or perished in the sea, or destroyed by fire; the examination and proof of the same being left to the judgment of the collector of the customs, naval officer, and chief officer of inspection, or any two of them, of the place from which such spirits shall have been exported. And in cases where the certificates herein directed cannot be obtained, the exporter or exporters of such spirits shall, nevertheless, be permitted to offer such other proof, as to the delivery of the said spirits without the limits of the United States, as he or they may have; and if the same shall be deemed sufficient by the said collector, he shall allow the same, except when the drawback to be allowed shall amount to one hundred dollars or upwards; in all which cases the proofs aforesaid shall be referred to the Comptroller of the Treasury, whose decision thereon shall be final.

Sec. 58. *And be it further enacted*, That it shall and may be lawful for the President of the United States, from time to time, to make such allowances to the said supervisors, inspectors, and to the deputies and officers by them to be appointed and employed, for their respective services in the execution of this act, to be paid out of the product of the said duties, as he shall deem reasonable and proper: *Provided always*, That the aggregate amount of the allowances to all the said supervisors, inspectors, and other officers, shall not exceed seven per cent. of the whole product of the duties arising from the spirits distilled within the United States: *And provided also*, That such allowance shall not exceed the annual amount of forty-five thousand dollars, until the same shall be further ascertained by law.

Sec. 59. *And be it further enacted*, That this act shall commence and take effect as to all matters therein contained, in respect to which no special commencement is hereby pro-

vided, (except as to the appointment of officers, and regulation of the districts and surveys) from and immediately after the last day of June next.

Sec. 60. *And be it further enacted*, That the nett product of the duties hereinbefore specified, which shall be raised, levied, and collected, by virtue of this act, or so much thereof as may be necessary, shall be, and is hereby, pledged and appropriated for the payment of the interest of the several and respective loans which had been made, in foreign countries, prior to the fourth day of August last; and also, upon all and every the loan and loans which have been and shall be made and obtained pursuant to the act, entitled "An act making provision for the debt of the United States;" and according to the true intent and meaning of the said act, and of the several provisions and engagements therein contained and expressed, and subject to the like priorities and reservations as are made and contained in and by the said act, in respect to the moneys therein appropriated, and subject to this further reservation, that is to say: of the nett amount or product, during the present year, of the duties laid by this act, in addition to those heretofore laid upon spirits imported into the United States from any foreign port or place, and of the duties laid by this act, on spirits distilled within the United States, and on stills; to be disposed of towards such purposes for which appropriations shall be made during the present session. And to the end that the said moneys may be inviolably applied in conformity to the appropriation hereby made, and may never be diverted to any other purpose, until the final redemption or reimbursement of the loans or sums for the payment of the interest whereof they are appropriated; an account shall be kept of the receipts and disposition thereof, separate and distinct from the product of any other duties, impost, excise, and taxes, whatsoever, except those heretofore laid and appropriated to the same purposes.

Sec. 61. *And be it further enacted*, That the unappropriated surplus, if any there shall be, of the revenue arising under this act, at the end of this and every succeeding year, shall be applied to the reduction of the public debt, in like manner as is directed by the act, entitled "An act making provision for the reduction of the public debt;" and provided by the act, entitled "An act making provision for the debt of the United States;" unless the said surplus, or any part thereof, shall be required for the public exigencies of the United States, and shall, by special acts of Congress, be appropriated thereto.

Sec. 62. *And be it further enacted*, That the several duties imposed by this act shall continue to be collected and paid, until the debts and purposes for which they are pledged and appropriated shall be fully discharged and satisfied, and no longer: *Provided always*, That nothing herein contained shall be construed to

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prevent the Legislature of the United States from substituting other duties or taxes, of equal value to all or any of the said duties and imposts.

Approved, March 3, 1791.

An Act making an appropriation for the purpose therein mentioned.

*Be it enacted, &c.,* That for the purpose of effecting a recognition of the treaty of the United States, with the new Emperor of Morocco, there be, and hereby is, appropriated, a sum not exceeding twenty thousand dollars, to be paid out of the moneys which, prior to the first day of January next, shall arise from the duties imposed upon spirits distilled within the United States, and from stills, by the act entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead, and also upon spirits distilled within the United States, and for appropriating the same," together with the excess of duties which may arise from the duties imposed by the said act on imported spirits, beyond those which would have arisen by the act, entitled "An act making further provision for the payment of the debts of the United States." And the President is hereby authorized to take on loan, the whole sum by this act appropriated, or so much thereof as he may judge requisite, at an interest not exceeding six per cent. per annum, and the fund established for the above mentioned appropriation is hereby pledged for the re-payment of the principal and interest of any loan to be obtained in manner aforesaid, and in case of any deficiency in the said fund, the faith of the United States is hereby also pledged to make good such deficiency.

Approved, March 3, 1791.

An Act to amend "An act for establishing the temporary and permanent seat of the Government of the United States."

*Be it enacted, &c.,* That so much of the act, entitled "An act for establishing the temporary and permanent seat of the Government of the United States," as requires that the whole of the district of territory, not exceeding ten miles square, to be located on the river Potomac, for the permanent seat of the Government of the United States, shall be located above the mouth of the Eastern Branch, be, and is hereby, repealed; and that it shall be lawful for the President to make any part of the territory below the said limit, and above the mouth of Hunting creek, a part of the said district, so as to include a convenient part of the Eastern Branch, and of the lands lying on the lower side thereof, and also the town of Alexandria; and the territory so to be included shall form a part of the district not exceeding ten miles square, for the permanent seat of the Government of the United States, in like manner, and

to all intents and purposes, as if the same had been within the purview of the above recited act: *Provided,* That nothing herein contained shall authorize the erection of the public buildings otherwise than on the Maryland side of the river Potomac, as required by the aforesaid act.

Approved, March 3, 1791.

An Act supplemental to the "Act establishing the Treasury Department," and for a further compensation to certain officers.

*Be it enacted, &c.,* That the eighth section of the act, entitled "An act to establish the Treasury Department," passed the second day of September, one thousand seven hundred and eighty-nine, shall be, and the same is hereby, extended to all and every of the clerks employed in the Treasury Department, as fully and effectually as if they, and every of them, were specially named therein, except as to the penalty in such section mentioned, which, in case of any such clerk offending against the provisions of the said section, shall be five hundred dollars, and removal from office.

Sec. 2. *And be it further enacted,* That each and every clerk, and other officer already appointed in any of the departments of the United States, (and who have not, since their appointment, taken the oath or affirmation hereafter mentioned,) shall, within fifteen days after the passing of this act, and those who shall hereafter be appointed, shall, before they enter upon the duties of such appointment, take an oath or affirmation, before one of the justices of the Supreme Court, or one of the judges of a district court of the United States, to support the constitution of the United States, and also an oath or affirmation, well and faithfully to execute the trust committed to him, which oaths or affirmations, subscribed by such clerk, and certified by the person administering the same, shall be filed in the office of the person employing such clerk.

Sec. 3. *And be it further enacted,* That it shall and may be lawful for the principal in any of the offices of the United States, who is authorized by law to appoint clerks under him; to allow to each clerk such compensation for his services as he shall, in the opinion of such officer, deserve for the same: *Provided,* That the whole sum to be expended for clerks in any such office (except the chief clerk) shall not exceed a sum equal to five hundred dollars per annum for every clerk employed therein.

Sec. 4. *And be it further enacted by the authority aforesaid,* That there shall be allowed for one year, commencing with the passing of this act, to the register, two hundred and fifty dollars; and to the auditor, the comptroller of the Treasury, and the attorney general, four hundred dollars each, in addition to their respective salaries, and to be paid in the same manner.

Approved, March 3, 1791.

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An Act relative to the rix dollar of Denmark.

*Be it enacted, &c.,* That so much of an act, entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships or vessels," as hath rated the rix dollar of Denmark at one hundred cents, be, and the same is hereby, repealed; and that this repeal shall be deemed to operate in respect to all duties which have already arisen or accrued, as well as to such as shall hereafter arise or accrue.

Approved, March 3, 1791.

An Act in addition to an act, entitled "An act for establishing the salaries of the executive officers of Government, with their assistants and clerks."

*Be it enacted, &c.,* That from and after the passing of this act, there shall be allowed to the chief clerk of the auditor, the annual sum of two hundred dollars, in addition to the salary allowed to him by the act, entitled "An act establishing the salaries of the executive officers of Government, with their assistants and clerks," to be paid at the Treasury of the United States, in quarterly payments, and from like appropriations as may be assigned for the payment of the other salaries mentioned in the above recited act.

*Sec. 2. And be it further enacted,* That there be allowed to the clerks employed in the several offices attached to the seat of Government, in addition to their respective salaries, their reasonable and necessary expenses, incurred by the removal of Congress from the city of New York to the city of Philadelphia.

*Sec. 3. And be it further enacted,* That there be allowed to the assistant Secretary of the Treasury, in addition to his salary for one year, commencing with the passing of this act, four hundred dollars, to be paid in the same manner as his salary.

Approved, March 3, 1791.

An Act for making compensation to the commissioners of loans, for extraordinary expenses.

*Be it enacted, &c.,* That the commissioners of loans in the several States, shall be allowed, in the settlement of their accounts, such sums as shall appear to have been necessarily expended by them in the purchase of stationery for the use of their several offices, from the commencement of the same to the first day of October next.

*Sec. 2. And be it further enacted,* That the commissioners of loans in the several States shall be allowed, in the settlement of their several accounts, such sums as they shall have necessarily expended for the hire of clerks to assist in executing the duties of their several offices, from the commencement of the same to the first day of October next.

Approved, March 3, 1791.

An Act providing compensations for the officers of the judicial courts of the United States, and for jurors and witnesses, and for other purposes.

*Be it enacted, &c.,* That there be allowed to the several officers following, in addition to the fees (except mileage to the marshals) to which they are otherwise by law entitled, and also to jurors and witnesses, in the courts of the United States, the following respective compensations, that is to say: To the attorney of the United States for the district, for his expenses and time in travelling from the place of his abode to any court of the United States, on which his attendance shall be requisite, at the rate of ten cents per mile going, and the same allowance for returning; to the clerk of the district court, for attending in the district or circuit court, five dollars per day, and the like compensation for travelling as is above allowed to the attorney for the district; to the clerk of the supreme court, for attending in court, eight dollars per day; to the marshal of the district, for attending the supreme, circuit, or district courts, five dollars per day; for summoning a grand jury, three dollars; and for summoning a petit jury, two dollars; and for serving and returning a writ, five cents per mile for his necessary travel; to the grand and petit jurors, each, fifty cents per day for attending in court, and for travelling, at the rate of fifty cents for every ten miles from their respective places of abode to the place where the court is held, and the like allowance for returning; to witnesses, summoned on the part of the United States, or in behalf of any prisoner to be tried for any capital offence in any of the courts thereof, the same compensation as is above allowed to grand and petit jurors. That the several officers above specified shall be deemed to have been entitled to the above respective compensations, from the time of their respective appointments; and that the grand and petit jurors and witnesses, who have heretofore attended, shall also be deemed entitled to the above compensation, in like manner as those who shall hereafter attend. That there shall also be paid to the marshal the amount of the expense for fuel, candles, and other reasonable contingencies for holding a court, as hath accrued, or shall accrue; and the compensations to the grand and petit jurors, and witnesses, shall be included in the account of, and paid to, the marshal, to the use of, and be by him accordingly paid over to, the several persons entitled to the same: and the accounts of the several officers for the compensations aforesaid, (except mileage to the marshal for the service of writs in civil causes,) having been previously examined and certified by the judge of the district, shall be passed in the usual manner at, and the amount thereof paid out of, the Treasury of the United States. And a sum, arising from the fines and forfeitures to the United States, and equal to the amount thereof, is hereby appropriated for the payment of the above accounts.

*Sec. 2. And be it further enacted,* That in-

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stead of the provisions in that respect heretofore made, the first session of the circuit courts in the eastern circuit, after the passing of this act, shall commence at the times following, that is to say: In New York district on the fifth, and in Connecticut district on the twenty-fifth, days of April next; in Massachusetts district on the twelfth, and in New Hampshire district on the twenty-fourth, days of May next; and in Rhode Island district on the seventh day of June next; and the subsequent sessions in the respective districts, on the like days of every sixth calendar month thereafter, except when any of those days shall happen on a Sunday, and then the sessions shall commence on the next day following. And the sessions of the said circuit court shall be held in New Hampshire district, at Portsmouth and Exeter, alternately, beginning at the first, in Massachusetts district, at Boston; in Rhode Island district, at Newport and Providence, alternately, beginning, at the first, in Connecticut district, at Hartford and New Haven, alternately, beginning at the last; and in New York district, at the city of New York only.

Sec. 3. *And be it further enacted*, That from and after the passing of this act, instead of the provisions in the act for that purpose, the sessions of the circuit court for the district of Virginia shall be holden in the city of Richmond only.

Sec. 4. *And be it further enacted*, That this act shall continue in force until the end of the next session of Congress, and no longer.

Approved, March 3, 1791.

An Act to continue in force, for a limited time, an act, entitled "An act for the temporary establishment of the Post-office."

*Be it enacted, &c.*, That the act passed the first session of Congress, entitled "An act for the temporary establishment of the Post-office," be, and the same is hereby continued in full force until the end of the next session of Congress, and no longer.

Sec. 2. *And be it further enacted*, That all letters to and from the treasurer, comptroller, and auditor, of the treasury, and the assistant to the Secretary of the Treasury, on public service, shall be received and conveyed by the post, free of postage.

Sec. 3. *And be it further enacted*, That the Postmaster General shall be, and he is hereby, authorized to extend the carrying the mail from Albany, in the State of New York, to Bennington, in the State of Vermont.

Approved, March 3, 1791.

An Act to continue in force the act therein mentioned, and to make further provision for the payment of pensions to invalids, and for the support of light-houses, beacons, buoys, and public piers.

*Be it enacted, &c.*, That the act, entitled "An act to provide for mitigating or remitting

the forfeitures and penalties, accruing under the revenue laws, in certain cases therein mentioned," shall be, and is hereby, continued in force until the end of the next session of Congress, and no longer.

Sec. 2. *And be it further enacted*, That the yearly pensions which have been allowed by or in pursuance of any act or law of the United States, to persons who were wounded and disabled during the late war, shall, for the space of one year from the fourth day of March next, be paid out of the Treasury of the United States, under such regulations as the President of the United States may direct.

Sec. 3. *And be it further enacted*, That all expenses which shall accrue from the first day of July next, inclusively, for the necessary support, maintenance, and repairs of all light-houses, beacons, buoys, and public piers, shall continue to be defrayed by the United States, until the first day of July, in the year one thousand seven hundred and ninety-two, notwithstanding such light-houses, beacons, buoys, or public piers, with the lands and tenements thereunto belonging, and the jurisdiction of the same, shall not, in the mean time, be ceded to or vested in the United States, by the State or States, respectively, in which the same may be, and that the said time be further allowed to the States, respectively, to make such cession: *Provided*, That nothing in the said act shall be construed to limit or restrain the power of the President of the United States, to grant pardons for offences against the United States.

Approved, March 3, 1791.

An act supplementary to the act making provision for the reduction of the public debt.

Whereas it hath been made known to Congress that the President of the United States, in consequence of "An act making provision for the reduction of the public debt," hath caused a certain loan to be made in Holland, on account of the United States, to the amount of three millions of florins, bearing an interest of five per centum per annum, and reimbursable in six yearly instalments, commencing in the year one thousand eight hundred, and ending in the year one thousand eight hundred and six, or at any time sooner, in whole or in part, at the option of the United States:

And whereas it hath been also stated to Congress, that the charges upon the said loan have amounted to four and a half per centum, whereby a doubt hath arisen, whether the said loan be within the meaning of the said last mentioned act, which limits the rate of interest to five per centum per annum:

And whereas it is expedient that the said doubt be removed:

*Be it enacted, &c.*, That the loan aforesaid shall be deemed and construed to be within the true intent and meaning of the said act, entitled "An act making provision for the reduction of the public debt," and that any further

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loan, to the extent of the principal sum authorized to be borrowed by the said act, the interest whereof shall be five per centum per annum, and the charges whereof shall not exceed the said rate of four and a half per centum, shall, in like manner, be deemed and construed to be within the true intent and meaning of the said act.

Approved, March 3, 1791.

An Act making further provision for the collection of the duties by law imposed on teas, and to prolong the term for the payment of the duties on wines.

Whereas it is conceived that the following regulations concerning teas may be conducive both to the accommodation of the importers thereof, and to the security of the revenue:

*Be it enacted, &c.,* That in addition to the provisions contained in the fortieth and forty-first sections of the act, entitled "An act to provide more effectually for the collection of the duties imposed by law on goods, wares, and merchandise, imported into the United States, and on the tonnage of ships or vessels," as they regard the payment, or securing the payment, of the duties on teas, it shall be lawful for every importer of teas, if he or she shall elect so to do, to give his or her bond to the collector of the district in which any of the said teas shall be landed, in double the amount of the duties thereupon, with condition for the payment of the said duties in two years from the date of such bond; which bond shall be accepted by such collector, without surety, upon the terms following: that is to say, the teas, for the duties whereof the said bond shall be accepted, shall be deposited at the expense and risk of the said importer, in one or more storehouse or storehouses, as the case may require to be agreed upon between the said importer and the inspector, or other officer of inspection of the revenue, for the port where the said teas shall be landed; and upon every such storehouse the said inspector or officer of inspection shall cause to be affixed two locks, the key of one of which locks shall be kept by such importer, his or her agent, and the key of the other of which locks shall be kept by the said inspector, or by such other person as he shall depute and appoint in that behalf, whose duty it shall be to attend, at all reasonable times, for the purpose of delivering the said teas out of the said storehouse or storehouses; but no delivery shall be made of any of the said teas without a permit in writing, under the hand of the said inspector or officer of inspection. And in order to the obtaining of such permit, it shall be necessary that the duties upon the teas, for which the same shall be required, be first paid, or, at the option of the party or parties applying for the same, secured to be paid in manner following: that is to say, the said party or parties shall give bond, with one or more surety or sureties, to the sa-

tisfaction of the said inspector, in double the amount of the duties upon the quantity of teas in each case to be delivered, with condition for the payment of the said duties, if the same shall not exceed one hundred dollars in four months; or, if the same shall exceed one hundred dollars, and shall not exceed five hundred dollars, in eight months; or, if the same shall exceed five hundred dollars, in twelve months. *Provided always,* That the time to be allowed for the payment of the duties upon any parcel of teas to be delivered, shall not be such as to extend the credit for such duties beyond the term of two years, originally allowed upon the depositing of the said teas.

*Sec. 2. And be it further enacted,* That if the duties on any parcel of teas which shall have been deposited as aforesaid, shall not have been paid, or secured to be paid, in manner last specified, within the term of two years, according to the condition of the obligation to be given to the collector of the district within which the same shall have been landed, it shall be the duty of the said collector to cause so much of the said teas as may be necessary, to be sold at public auction, and retaining the sum which shall not have been so paid or secured of the said duties, together with the expenses of safekeeping and sale of the said teas, shall return the overplus, if any, to the owner or owners thereof, his, her, or their agent, or lawful representative.

*Sec. 3. And be it further enacted,* That the bonds which have been or shall be directed to be given, by this or any other act, for moneys or duties to be paid or performed to the United States, shall be taken in the name of the United States of America, unless special direction shall have been given to take them in some other name. And the bonds to be taken as aforesaid, by any inspector of the revenue, shall be delivered by him forthwith to the collector of the district within which the teas, to which they may relate, shall have been landed, in order to the collection of the moneys therein specified. And the permits which shall have been granted by such inspector, for the delivery of any teas out of any storehouse wherein they shall have been deposited, shall be received by such collector towards satisfying any bond which shall have been, in the first instance, taken by the said collector, touching the said teas; which permits shall, therefore, specify the amount of the duties which shall have been paid or secured upon the teas to be delivered in virtue thereof, and the name of the ship or vessel in which they shall have been imported, and of the importer or importers thereof.

*Sec. 4. And be it further enacted,* That all teas, which, after the first day of April next, shall be imported into the United States from any foreign port or place, shall be landed under the care of the inspectors of the revenue for the ports where the same shall be respectively landed; and, for that purpose, every permit which shall be granted by any collector for land-



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ing the same, shall, prior to such landing, be produced to the said inspector, who, by an endorsement thereupon under his own hand, shall signify the production thereof to him, and the time when; after which, and not otherwise, it shall be lawful to land the teas mentioned in such permit. And the said inspector shall make an entry of all such permits, and of the contents thereof; and each chest, box, or package, containing any teas, shall be marked by the officer under whose immediate inspection the same shall be landed, in legible and durable characters, with progressive numbers, and with the name of the vessel in which the same shall have been imported. And the said officer shall grant a certificate for each such chest, box, or package, specifying therein the name or names of the importer or importers, the ship or vessel in which the same shall have been imported, and the number thereof, to accompany the same wheresoever it shall be sent.

And whereas, for the payment of the duties accruing on Madeira wines, and which may be secured by bond, the term of twelve months is allowed; and it is proper to extend, in like manner, the payment of the duties accruing on other wines;

Sec. 5. Therefore, *Be it enacted*, That, for the payment of the duties on other than Madeira wines, and which shall be secured by bond, such bond shall be taken with condition for the payment of the duties in twelve months, in like manner as by law is directed for the payment of the duties on Madeira wines.

Approved, March 3, 1791.

An Act for granting lands to the inhabitants and settlers at Vincennes, and the Illinois country, in the territory northwest of the Ohio, and for confirming them in their possessions.

*Be it enacted, &c.*, That four hundred acres of land be given to each of those persons, who, in the year one thousand seven hundred and eighty-three, were heads of families at Vincennes, or in the Illinois country, on the Mississippi, and who, since that time, have removed from one of the said places to the other. And the Governor of the territory northwest of the Ohio is hereby directed to cause the same to be laid out for them, at their own expense, either at Vincennes or in the Illinois country, as they shall severally elect.

Sec. 2. *And be it further enacted and declared*, That the heads of families at Vincennes, or in the Illinois country, in the year one thousand seven hundred and eighty-three, who afterwards removed without the limits of the said territory, are, notwithstanding, entitled to the donation of four hundred acres of land made by the resolve of Congress of the twenty-ninth of August, one thousand seven hundred and eighty-eight; and the Governor of the said territory, upon application to him for that purpose, is hereby directed to cause the same to be laid out for such heads of families, or their heirs;

and shall also cause to be laid off and confirmed to such persons, the several tracts of land which they may have possessed, and which, before the year one thousand seven hundred and eighty-three, may have been allotted to them according to the laws and usages of the Government under which they had respectively settled: *Provided, nevertheless*, That if such persons, or their heirs, do not return and occupy the said lands within five years, such lands shall be considered as forfeited to the United States.

Sec. 3. *And be it further enacted*, That one hundred and fifty acres of land, heretofore in possession of the Piankeshaw Indians, and now under actual improvement, and constituting a part of the village of Vincennes, be given to the persons who are severally in possession of the said land.

Sec. 4. *And be it further enacted*, That where lands have been actually improved and cultivated at Vincennes, or in the Illinois country, under a supposed grant of the same, by any commandant or court claiming authority to make such grant, the Governor of the said territory be, and he hereby is, empowered to confirm to the persons who made such improvements, their heirs or assigns, the lands supposed to have been granted as aforesaid, or such parts thereof as he, in his discretion, may judge reasonable, not exceeding to any one person four hundred acres.

Sec. 5. *And be it further enacted*, That a tract of land, containing about five thousand four hundred acres, which, for many years, has been fenced and used by the inhabitants of Vincennes as a common, also a tract of land including the villages of Cohos and Prairie du Pont, and heretofore used by the inhabitants of the said village as a common, be, and the same are hereby, appropriated to the use of the inhabitants of Vincennes, and of the said village, respectively, to be used by them as a common, until otherwise disposed of by law.

Sec. 6. *And be it further enacted*, That the governor of the said territory be authorized to make a grant of land, not exceeding one hundred acres, to each person who hath not obtained any donation of land from the United States, and who, on the first day of August, one thousand seven hundred and ninety, was enrolled in the militia at Vincennes, or in the Illinois country, and has done militia duty, the said land to be laid out at the expense of the grantees, and in such form and place as the said Governor shall direct: *Provided, nevertheless*, That no claim founded upon purchase or otherwise, shall be admitted within a tract of land heretofore occupied by the Kaskaskia nation of Indians, and including their village, which is hereby appropriated to the use of the said Indians.

Sec. 7. *And be it further enacted*, That two lots of land, heretofore in the occupation of the priests at Cahokia, and situated near that village, be, and the same is hereby, granted in fee

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to P. Gibault; and that a tract of land at Kaskaskia, formerly occupied by the Jesuits, be laid off and confirmed to St. Jam Beauvais, who claims the same in virtue of a purchase thereof.

Sec. 8. *And be it further enacted*, That so much of the act of Congress of the twenty-eighth of August, one thousand seven hundred and eighty-eight, as refers to the locations of certain tracts of land directed to be run out and reserved for donations, to the ancient settlers in the Illinois country, be, and the same is hereby, repealed, and the Governor of the said territory is directed to lay out the same, agreeably to the act of Congress of the twentieth of June, one thousand seven hundred and eighty-eight.

Approved, March 3, 1791.

An Act for raising and adding another regiment to the military establishment of the United States, and for making further provision for the protection of the frontiers.

*Be it enacted, &c.*, That there shall be raised an additional regiment of infantry, which, exclusive of the commissioned officers, shall consist of nine hundred and twelve non-commissioned officers, privates, and musicians.

Sec. 2. *And be it further enacted*, That the said regiment shall be organized in the same manner as the regiment of infantry described in the act, entitled "An act for regulating the military establishment of the United States."

Sec. 3. *And be it further enacted*, That the troops aforesaid, by this act to be raised, including the officers, shall receive the same pay and allowances, be subject to the same rules and regulations, and be engaged for the like term, and upon the same conditions, in all respects, excepting the bounty hereinafter mentioned, as are stipulated for the troops of the United States, in the beforementioned act.

Sec. 4. *And be it further enacted*, That each non-commissioned officer, private, and musician, who has enlisted, or shall enlist, pursuant to the act aforesaid, or who shall enlist pursuant to this act, shall be entitled to receive six dollars as a bounty.

Sec. 5. *And be it further enacted*, That in case the President of the United States should deem the employment of a major general, brigadier general, a quartermaster, and chaplain, or either of them, essential to the public interest, that he be, and he hereby is, empowered, by and with the advice and consent of the Senate, to appoint the same accordingly. And a major general, so appointed, may choose his aid-de-camp, and a brigadier general his brigade major, from the captains or subalterns of the line: *Provided always*, That the major general and brigadier general so to be appointed, shall, respectively, continue in pay during such term only, as the President of the United States, in his discretion, shall deem it requisite for the public service.

Sec. 6. *And be it further enacted*, That in

case a major general, brigadier general, quartermaster, aid-de-camp, brigade major, and chaplain, should be appointed, their pay and allowances shall be, respectively, as herein mentioned. The major general shall be entitled to one hundred and twenty-five dollars, monthly pay, twenty dollars allowance for forage, monthly, and for daily subsistence fifteen rations, or money in lieu thereof, at the contract price; the brigadier general shall be entitled to ninety-four dollars, monthly pay, with sixteen dollars allowance for forage, monthly, and for daily subsistence twelve rations, or money in lieu thereof, at the contract price; that the quartermaster shall be entitled to the same pay, rations, and forage, as the lieutenant colonel commandant of a regiment; that the aid-de-camp be entitled, including all allowances, to the same pay, rations, and forage, as a major of a regiment; that the brigade major be entitled, including all allowances, to the same pay, rations, and forage, as a major of a regiment; that the chaplain be entitled to fifty dollars per month, including pay, rations, and forage.

Sec. 7. *And be it further enacted*, That if, in the opinion of the President, it shall be conducive to the good of the service, to engage a body of militia to serve as cavalry, they furnishing their own horses, arms, and provisions, it shall be lawful for him to offer such allowances, to encourage their engaging in the service, for such time, and on such terms, as he shall deem it expedient to prescribe.

Sec. 8. *And be it further enacted*, That if the President should be of opinion that it will be conducive to the public service to employ troops enlisted under the denomination of levies, in addition to, or in place of, the militia which, in virtue of the powers vested in him by law, he is authorized to call into the service of the United States, it shall be lawful for him to raise, for a term not exceeding six months, (to be discharged sooner if the public service will permit,) a corps, not exceeding two thousand non-commissioned officers, privates, and musicians, with a suitable number of commissioned officers. And in case it shall appear probable to the President that the regiment directed to be raised by the aforesaid act, and by this act, will not be completed in time to prosecute such military operations as exigencies may require, it shall be lawful for the President to make a substitute for the deficiency, by raising such further number of levies, or by calling into the service of the United States such a body of militia as shall be equal thereto.

Sec. 9. *And be it further enacted*, That the President be, and he hereby is, empowered to organize the said levies, and alone to appoint the commissioned officers thereof, in the manner he may judge proper.

Sec. 10. *And be it further enacted*, That the commissioned and non-commissioned officers, privates, and musicians, of the militia, or said corps of levies, shall, during the time of their service, be subject to the rules and articles

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of war; and they shall be entitled to the same pay, rations, and forage, and in case of wounds or disability in the line of their duty, to the same compensation as the troops of the United States.

Sec. 11. *And be it further enacted*, That the non-commissioned officers, privates, and musicians, of the said corps of levies, shall be entitled to receive such proportional quantity of clothing, as their time of service shall bear to the annual allowance of clothing to the troops of the United States, subject, however, to a proportional deduction from their pay.

Sec. 12. *And be it further enacted*, That each of the non-commissioned officers, privates, and musicians, of the said levies, shall be entitled to receive three dollars as a bounty.

Sec. 13. *And be it further enacted*, That in case the nature of the service upon which the troops of the United States may be employed, should require a greater number of surgeon's mates than are provided for in the beforementioned act, the President of the United States may engage, from time to time, such additional number of surgeon's mates as he shall judge necessary.

Sec. 14. *And be it further enacted*, That the commissioned officers, who shall be employed to recruit men for the said regiments, shall be entitled to receive, for every recruit who shall be duly enlisted and mustered, the sum of two dollars.

Sec. 15. *And be it further enacted*, That for defraying the expense, for one year, of the additional regiment to be raised by virtue of this act; for defraying the expense, for a like term, of the officers mentioned in the seventh section of this act; for defraying the expense of the said militia horse, militia foot, and levies, which may be called into, or engaged for, the service of the United States, pursuant to this act; for defraying the expense of such surgeon's mates as may be appointed pursuant to the fifteenth section of this act; for defraying the expense of recruiting the said two regiments; and for defraying the expense of any military posts which the President shall judge expedient and proper to establish, there be, and hereby is, appropriated, a sum not exceeding three hundred and twelve thousand six hundred and eighty-six dollars and twenty cents, to be paid out of the moneys which, prior to the first day of January next, shall arise from the duties im-

posed upon spirits distilled within the United States, and from stills, by the act, entitled "An act repealing, after the last day of June next, the duties heretofore laid upon distilled spirits imported from abroad, and laying others in their stead; and also upon spirits distilled within the United States, and for appropriating the same;" together with the excess of duties which may arise from the duties imposed by the said act on imported spirits, beyond those which would have arisen by the act, entitled "An act making farther provision for the payment of the debts of the United States."

- And to the end that the public service may not be impeded for want of necessary means:

Sec. 16. *Be it further enacted*, That it shall be lawful for the President to take on loan the whole sum by this act appropriated, or so much thereof as he may judge requisite, at an interest not exceeding six per centum per annum; and the fund established for the abovementioned appropriation is hereby pledged for the repayment of the principal and interest of any loan to be obtained in manner aforesaid; and in case of any deficiency in the said fund, the faith of the United States is hereby also pledged to make good such deficiency.

Approved, March 3, 1791.

Whereas Congress did, by a resolution of the twenty-third day of September, one thousand seven hundred and eighty-nine, recommend to the several States to pass laws, making it expressly the duty of the keepers of their jails, to receive and safe keep therein, all prisoners committed under the authority of the United States, in order, therefore, to ensure the administration of justice.

*Resolved, &c.*, That in case any State shall not have complied with the said recommendation, the marshal in such State, under the direction of the judge of the district, be authorized to hire a convenient place to serve as a temporary jail, and to make the necessary provision for the safe keeping of prisoners committed under the authority of the United States, until permanent provision shall be made by law for that purpose; and the said marshal shall be allowed his reasonable expenses incurred for the above purposes, to be paid out of the Treasury of the United States.

Approved, March 3, 1791.